

EXHIBIT A

IN THE SUPERIOR COURT OF GWINNETT COUNTY
STATE OF GEORGIA

HERI AUM, LLC, d/b/a FAIRFIELD, INN)	
AND SUITES,)	
)	
Plaintiffs,)	CIVIL FILE
)	ACTION NO. 23-A-00238-5
v.)	
)	
HOME-OWNERS INSURANCE)	
COMPANY,)	
a foreign corporation,)	
)	
Defendant.)	

NOTICE OF FILING REMOVAL

TO: J. Remington Huggins, Esq.
Michael D. Turner, Esq.
The Huggins Law Firm, LLC
110 Norcross Street
Roswell, Georgia 30075
Remington@lawhuggins.com
mdturner@lawhuggins.com

Please take notice that Home-Owners Insurance Company, Defendant in the above-styled action, on this date has filed its **Notice of Removal**, a copy of which is attached hereto as Exhibit A, with the Clerk of the Court of the United States District Court for the Northern District of Georgia, Atlanta Division.

Respectfully submitted this 10th day of February, 2023.

SWIFT, CURRIE, McGHEE & HIERS, LLP

/s/ Brittney A. Sizemore
Jessica M. Phillips
Georgia Bar No. 922902
Brittney A. Sizemore
Georgia Bar No. 332873
Attorneys for Defendant Home-Owners Insurance Company

1420 Peachtree Street, NE
Suite 800

Atlanta, GA 30309

Tel: (404) 874-8800

Fax: (404) 888-6199

jessica.phillips@swiftcurrie.com

brittney.sizemore@swiftcurrie.com

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have electronically filed and served the foregoing ***NOTICE OF FILING REMOVAL*** with the Clerk of Court using the Odyssey e-filing system which will automatically send e-mail notification and service of such filing to counsel of record as follows:

J. Remington Huggins, Esq.
Michael D. Turner, Esq.
The Huggins Law Firm, LLC
110 Norcross Street
Roswell, Georgia 30075
Remington@lawhuggins.com
mdturner@lawhuggins.com
Counsel for Plaintiff

This 10th day of February, 2023.

SWIFT, CURRIE, McGHEE & HIERS, LLP

/s/ Brittney A. Sizemore
Jessica M. Phillips
Georgia Bar No. 922902
Brittney A. Sizemore
Georgia Bar No. 332873
Attorneys for Defendant Home-Owners Insurance Company

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jessica.phillips@swiftcurrie.com
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EXHIBIT A

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

HERI AUM, LLC, d/b/a)	
FAIRFIELD, INN AND SUITES,)	
)	
Plaintiffs,)	CIVIL FILE
)	
v.)	ACTION NO.
)	
HOME-OWNERS INSURANCE)	
COMPANY,)	
a foreign corporation,)	
)	
Defendant.)	

NOTICE OF REMOVAL

COMES NOW, Home-Owners Insurance Company, Defendant in the above referenced matter, and within the time prescribed by law, files this Notice of Removal, respectfully showing the Court the following facts:

1.

Plaintiff Heri Aum, LLC, d/b/a Fairfield Inn and Suites (hereinafter “Plaintiffs”) filed suit against Defendant in the Superior Court of Gwinnett County, which is a county within the Atlanta Division of this Court. This suit is styled as above and numbered Civil Action File No. 23-A-00238-5 in that Court.

2.

Suit was initiated by the Plaintiff on January 11, 2023, in the Superior Court of Gwinnett County. Plaintiff served Defendant on January 13, 2023. Defendant shows that this Notice of Removal is filed within thirty (30) days from the date of service of said suit on Defendant. Therefore, removal is timely pursuant to 28 U.S.C. § 1446(b).

3.

Plaintiff is a corporation organized under the laws of the State of South Carolina, with its principal place of business in the State of South Carolina. See, Complaint ¶ 1.

4.

Defendant Home-Owners Insurance Company is a corporation organized under the laws of the State of Michigan, with its principal place of business in the State of Michigan and is not a citizen of the State of Georgia. Defendant Home-Owners was not a citizen of the State of Georgia on the date of filing this action and has not been thereafter.

5.

Complete diversity exists between Plaintiff and Defendant in accordance with 28 U.S.C. § 1332(a)(1).

6.

This action is a civil action between citizens of different states where the controversy exceeds the sum of \$75,000.00, exclusive of interest and costs. Plaintiff expressly alleges in its Complaint that it is entitled to all damages to its Property and any resulting expenses and temporary repairs in the amount of \$140,741.50. See, Complaint ¶ 17. Given the statements of Plaintiff regarding the value of its claim and the amount it contends it is entitled to recover, the amount in dispute in this matter will exceed the jurisdictional requirement of \$75,000.00.

7.

This Court is authorized to include attorneys' fees in determining the amount in controversy for removal purposes where those fees are allowed by statute. Hall v. Travelers Ins. Co., 691 F. Supp. 1406, 1409 (N.D. Ga. 1988) ("Where, as here, attorney's fees are allowable by applicable law, they may be included in assessing the jurisdictional amount in controversy.") (citing Vacca v. Meetze, 499 F. Supp. 1089, 1091 (S.D. Ga. 1981)), *vacated on other grounds*, Hall v. Travelers Ins. Co., 691 F. Supp. 1406, 1411 (N.D. Ga. 1988). To that end, the Court is authorized to assign a "reasonable amount" of attorneys' fees in assessing the amount in controversy. Morrison v. Allstate Indem. Co., 228 F.3d 1255, 1265 (11th Cir.

2000)(“When a statute authorizes the recovery of attorney's fees, *a reasonable amount of those fees is included in the amount in controversy.*”) (emphasis added).

8.

In light of the foregoing, the amount in controversy for this matter exceeds the jurisdictional requirement for removal of \$75,000.00.

9.

This case is a civil action that may be removed to this Court pursuant to 28 U.S.C. § 1441. This Court has original jurisdiction pursuant to 28 U.S.C. § 1332(a)(1) and (b) as there is complete diversity of citizenship between Plaintiff and Defendant and, as shown above, the amount in controversy exceeds \$75,000.00. Further, as required by 28 U.S.C. § 1441(b), Defendant is not a citizen of the State of Georgia.

10.

Defendant has attached hereto copies of all process, pleadings, and orders served upon it in this case prior to the date of this Notice of Removal. Such copies are attached hereto as **Exhibit A**.

11.

Defendant has given written notice of the filing of this Notice of Removal to Plaintiff by notifying its attorney of record, Remington Huggins, Esq. and Michael

Turner, Esq., of Huggins Law Firm, LLC, 110 Norcross Street, Roswell, Georgia 30075. Defendant Home-Owners has also filed a written notice with the Superior Court of Gwinnett County, a copy of said notice being attached hereto and made in part hereof.

WHEREFORE, Defendant prays that this case be removed to the United States District Court for the Northern District of Georgia, Atlanta Division.

Respectfully submitted this 10th day of February, 2023.

SWIFT, CURRIE, McGHEE & HIERS, LLP

/s/ Brittney A. Sizemore

Jessica M. Phillips

Georgia Bar No. 922902

Brittney A. Sizemore

Georgia Bar No. 332873

*Attorneys for Defendant Home-Owners
Insurance Company*

1420 Peachtree Street, NE

Suite 800

Atlanta, GA 30309

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have electronically filed and served the foregoing *Notice of Removal* with the Clerk of Court via the CM/ECF e-filing system which will automatically send e-mail notification and service of such filing to counsel of record as follows:

J. Remington Huggins, Esq.
Michael D. Turner, Esq.
The Huggins Law Firm, LLC
110 Norcross Street
Roswell, Georgia 30075
Remington@lawhuggins.com
mdturner@lawhuggins.com
Counsel for Plaintiffs

This 10th day of February, 2023.

SWIFT, CURRIE, McGHEE & HIERS, LLP

/s/ Brittney A. Sizemore
Jessica M. Phillips
Georgia Bar No. 922902
Brittney A. Sizemore
Georgia Bar No. 332873
*Attorneys for Defendant Home-Owners
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jessica.phillips@swiftcurrie.com
brittney.sizemore@swiftcurrie.com

4875-1566-5486, v. 1

General Civil and Domestic Relations Case Filing Information Form

☒ Superior or ☐ State Court of Gwinnett Superior Court County

For Clerk Use Only

Date Filed _____
MM-DD-YYYYCase Number 23-A-00238-5

Plaintiff(s)

Heri Aum LLC d/b/a Fairfield Inn and Suites

Last First Middle I. Suffix Prefix

Last First Middle I. Suffix Prefix

Last First Middle I. Suffix Prefix

Last First Middle I. Suffix Prefix

Defendant(s)

Home-Owners Insurance Company

Last First Middle I. Suffix Prefix

Last First Middle I. Suffix Prefix

Last First Middle I. Suffix Prefix

Last First Middle I. Suffix Prefix

Plaintiff's Attorney Michael D. TurnerState Bar Number 216414Self-Represented ☐

Check one case type and one sub-type in the same box (if a sub-type applies):

General Civil Cases

- ☐ Automobile Tort
☐ Civil Appeal
☐ Contempt/Modification/Other
Post-Judgment
☒ Contract
☐ Garnishment
☐ General Tort
☐ Habeas Corpus
☐ Injunction/Mandamus/Other Writ
☐ Landlord/Tenant
☐ Medical Malpractice Tort
☐ Product Liability Tort
☐ Real Property
☐ Restraining Petition
☐ Other General Civil

Domestic Relations Cases

- ☐ Adoption
☐ Contempt
☐ Non-payment of child support,
medical support, or alimony
☐ Dissolution/Divorce/Separate
Maintenance/Alimony
☐ Family Violence Petition
☐ Modification
☐ Custody/Parenting Time/Visitation
☐ Paternity/Legitimation
☐ Support – IV-D
☐ Support – Private (non-IV-D)
☐ Other Domestic Relations

☐ Check if the action is related to another action pending or previously pending in this court involving some or all of the same: parties, subject matter, or factual issues. If so, provide a case number for each.

Case Number

Case Number

☒ I hereby certify that the documents in this filing, including attachments and exhibits, satisfy the requirements for redaction of personal or confidential information in OCGA § 9-11-7.1.

☐ Is a foreign language or sign-language interpreter needed in this case? If so, provide the language(s) required.

Language(s) Required

☐ Do you or your client need any disability accommodations? If so, please describe the accommodation request.



Service of Process Transmittal Summary

TO: Kathleen Lopilato, Assistant Vice President
 AUTO-OWNERS INSURANCE COMPANY
 6101 Anacapi Blvd
 Lansing, MI 48917-3999

RE: Process Served in Georgia

FOR: Home-Owners Insurance Company (Domestic State: MI)

ENCLOSED ARE COPIES OF LEGAL PROCESS RECEIVED BY THE STATUTORY AGENT OF THE ABOVE COMPANY AS FOLLOWS:

TITLE OF ACTION: HERI AUM LLC, D/B/A FAIRFIELD INN AND SUITES vs. HOME-OWNERS INSURANCE COMPANY

DOCUMENT(S) SERVED: Entry, Summons, Complaint, Exhibit(s), Attachment(s), First Set of Interrogatories and Request, Certificate

COURT/AGENCY: Gwinnett County Superior Court, GA
 Case # 23A002385

NATURE OF ACTION: Insurance Litigation

PROCESS SERVED ON: C T Corporation System, Lawrenceville, GA

DATE/METHOD OF SERVICE: By Process Server on 01/13/2023 at 14:04

JURISDICTION SERVED: Georgia

APPEARANCE OR ANSWER DUE: Within 30 days after service of this summons upon you, exclusive of the day of service (Document(s) may contain additional answer dates)

ATTORNEY(S)/SENDER(S): Michael D. Turner
 The Huggins Law Firm, LLC
 110 Norcross Street
 Roswell, GA 30075
 770-913-6229

ACTION ITEMS: CT has retained the current log, Retain Date: 01/13/2023, Expected Purge Date: 01/18/2023

Image SOP

Email Notification, Kathleen Lopilato lopilato.kathleen@aoins.com

Email Notification, TERRI REICHENBACH reichenbach.terri@aoins.com

Email Notification, Lance Arnott sopverification@wolterskluwer.com

REGISTERED AGENT CONTACT: C T Corporation System
 289 S. Culver St.
 Lawrenceville, GA 30046
 877-564-7529
 MajorAccountTeam2@wolterskluwer.com



CT Corporation
Service of Process Notification

01/13/2023

CT Log Number 543016578

The information contained in this Transmittal is provided by CT for quick reference only. It does not constitute a legal opinion, and should not otherwise be relied on, as to the nature of action, the amount of damages, the answer date, or any other information contained in the included documents. The recipient(s) of this form is responsible for reviewing and interpreting the included documents and taking appropriate action, including consulting with its legal and other advisors as necessary. CT disclaims all liability for the information contained in this form, including for any omissions or inaccuracies that may be contained therein.



PROCESS SERVER DELIVERY DETAILS

Date: Fri, Jan 13, 2023
Server Name: Drop Service

Entity Served	HOME-OWNERS INSURANCE COMPANY
Case Number	23-A-00238/6
Jurisdiction	GA

Inserts		



SHERIFF'S ENTRY OF SERVICE

Civil Action No. 23-A-00238/6Superior Court ☒Magistrate Court ☐State Court ☐Probate Court ☐Juvenile Court ☐Date Filed 1/11/2023Georgia, Gwinnett COUNTYHeri Aum LLC

Attorney's Address

Huggins Law Firm, LLCd/b/a Fairfield Inn and Suites

Plaintiff

110 Norcross St.

VS.

Roswell, GA 30075Home-Owners Insurance Company

Name and Address of Party to Served

Home-Oweners Insurance Company

Defendant

RA: C T Corporation System289 S. Culver St. Lawrenceville, GA 30046

Garnishee

SHERIFF'S ENTRY OF SERVICE

PERSONAL

I have this day served the defendant _____ personally with a copy
☐ of the within action and summons.

NOTORIOUS

I have this day served the defendant _____ by leaving a
copy of the action and summons at his most notorious place abode in this County.☐ Delivered same into hands of _____ described as follows:
age, about _____ years; weight _____ pounds; height _____ feet and _____ inches, domiciled at the residence of
defendant.

CORPORATION

Served the defendant _____ a corporation

☐ by leaving a copy of the within action and summons with _____
In charge of the office and place of doing business of said Corporation in this County.

TACK & MAIL

I have this day served the above styled affidavit and summons on the defendant(s) by posting a copy of the same to the door of the premises
designated in said affidavit and on the same day of such posting by depositing a true copy of same in the United States Mail, First Class in an
☐ envelope properly addressed to the defendant(s) at the address shown in said summons, with adequate postage affixed thereon containing notice
to the defendant(s) to answer said summons at the place stated in the summons.

NON EST

Diligent search made and defendant _____
☐ not to be found in the jurisdiction of this Court.This 1 day of _____, 2023

DEPUTY

CLERK'S | DEFENDANT'S | PLAINTIFF'S COPY

1/11/2023 11:02 AM
TIANA P. GARNER, CLERK

IN THE SUPERIOR COURT OF GWINNETT COUNTY
STATE OF GEORGIA

Heri Aum LLC
d/b/a Fairfield Inn and Suites
1255 Walker Ave
East Point, GA 30344

23-A-00238-5

PLAINTIFF

CIVIL ACTION NUMBER: _____

VS

Home-Owners Insurance Company
RA: C T Corporation System
289 S. Culver St.
Lawrenceville, GA 30046

DEFENDANT

SUMMONS

TO THE ABOVE-NAMED DEFENDANT:

You are hereby summoned and required to file with the Clerk of said court and serve upon the Plaintiff's attorney, whose name and address is:

Michael D. Turner
Attorney For the Plaintiff
THE HUGGINS LAW FIRM, LLC
110 Norcross Street
Roswell, GA 30075
770-913-6229
mdturner@lawhuggins.com

an Answer to the Complaint which is herewith served upon you, within 30 days after service of this summons upon you, exclusive of the day of service. If you fail to do so, judgment by default will be taken against you for the relief demanded in the complaint.

This _____ day of _____, 2023.

11th day of January, 2023

Tiana P. Garner,
Clerk of Superior Court

BY: 

Deputy Clerk

IN THE SUPERIOR COURT OF GWINNETT COUNTY
STATE OF GEORGIAHERI AUM LLC, d/b/a FAIRFIELD INN
AND SUITES,

Plaintiff,

v.

HOME-OWNERS INSURANCE
COMPANY,
a foreign corporation,

Defendant.

CIVIL ACTION FILE NO.:

23-A-00238-5

COMPLAINT

COMES NOW Plaintiff **Heri Aum LLC, d/b/a Fairfield Inn and Suites**, by and through the undersigned counsel, and files this Complaint for breach of first party property insurance contract and bad faith denial of insurance coverage against Defendant, **Home-Owners Insurance Company**, and in support hereof, states as follows:

PARTIES

1.

Plaintiff is a foreign corporation which is the named insured on the Policy at issue, with its principal place of business in South Carolina.

2.

Upon information and belief, Defendant is a foreign insurance company, registered to transact business in, and in fact transacts business in, the State of Georgia. Defendant is in the business of insuring risks and properties located throughout the United States, including Georgia. Defendant maintains an office at 289 S. Culver St., Lawrenceville, GA 30046, where it may be

served with process through its registered agent, C T Corporation System, as identified by the state of Georgia Secretary of State registry.

JURISDICTION AND VENUE

3.

This Court has subject matter jurisdiction over this action for breach of contract and bad faith denial of an insurance claim because the breached contract was entered into, and concerned property in, the state of Georgia and the amount in controversy exceeds \$15,000.00. This Court has personal jurisdiction over Defendant because Defendant is transacting business and insuring properties in the state of Georgia and has appointed a registered agent for service of process in Georgia pursuant to O.C.G.A. § 33-4-1 and O.C.G.A. § 33-4-4.

4.

Venue is proper in this Court because Defendant has a registered agent doing business in Gwinnett County pursuant to O.C.G.A. § 33-4-1, O.C.G.A. § 33-4-4.

5.

In addition, by virtue of the express terms of the insurance policy at issue, Defendant has consented to jurisdiction and venue of this Court.

THE POLICY

6.

Prior to April 24, 2021, and in consideration of the premiums paid to Defendant by the Plaintiff, Defendant issued a policy with Policy No. 36336678 (the "Policy"). A true and accurate copy of the Policy is attached hereto as Exhibit "A."

7.

The Policy provides numerous coverages for the real and personal property located at 1255 Walker Ave, East Point, GA 30344 (the “Insured Property” or the “Property”). The Policy likewise insures against loss due to Hail/Wind, subject to a deductible of \$5,000.00 per occurrence. (*See* Ex. A).

8.

The Policy is an all-perils policy providing coverage for sudden and accidental direct physical loss to the structure, other structures, and personal property. The Policy covers property repairs and personal property on a full replacement cost basis. (*See* Ex. A).

9.

The Policy covers various types of expenses, including reasonable and necessary costs incurred for temporary repairs to protect covered property from further imminent covered loss and business interruption expenses. (*See* Ex. A).

SUDDEN AND ACCIDENTAL DAMAGE TO THE INSURED PROPERTY

10.

On or about April 24, 2021 and March 30, 2022, the above-referenced property suffered damage from a sudden and accidental direct physical loss resulting from Hail/Wind (the “Loss”). The Policy was in effect at the time of the Loss.

11.

Plaintiff promptly and timely notified Defendant of the damage to the Property resulting from the Loss and made a claim pursuant to the Policy. As a result, Defendant assigned an adjuster (“Adjuster”) to investigate Plaintiff’s claim for sudden and accidental direct physical loss. The Adjuster was authorized as Defendant’s representative and agent for purposes of the claim.

12.

At all times, Plaintiff made themselves and the Property available to, and fully cooperated with, the Defendant and its representative and agent to inspect and investigate the damages caused by the loss.

13.

Defendant, through its authorized representative and agent, Adjuster, performed a site inspection of the Property.

14.

Defendant's authorized representative and agent, Adjuster, incurred the duty of acting with due diligence in achieving a proper disposition of the Plaintiff's claim when Adjuster undertook the handling of the claim.

15.

Defendant, through its authorized representative and agent, Adjuster, grossly underestimated the scope of loss suffered by the Plaintiff as a result of the Hail/Wind event. Defendant failed to properly indemnify the Plaintiff and estimated Plaintiff's total loss to be \$1,728.30. Plaintiff's deductible is \$5,000.00 per occurrence, and Defendant withheld \$169.74 in recoverable depreciation; thus, after deductions for depreciation and Plaintiff's deductible, Defendant claims Plaintiff was due \$0.00 as indemnification under the Policy. A true and accurate copy of the Defendant's estimate is attached hereto as Exhibit "B."

16.

As a result of Defendant's gross underestimation, Plaintiff requested multiple times that Defendant reconsider its position regarding Defendant's estimate. Defendant refused to comply with the Plaintiff's requests and continued to frivolously and baselessly deny any additional

payment on Plaintiff's claim. Furthermore, the Defendant continued to ignore the opinions of the Plaintiff's experts as to the extent of damage and the amount it will cost the Plaintiff to be properly indemnified for the Loss.

17.

Plaintiff made repeated requests for payment of the claim, including a written demand sent to Defendant on November 1, 2022. A true and accurate copy of the written demand is attached hereto as Exhibit "C." Despite this demand for **\$140,741.50** less previous payments and the applicable deductible, Defendant continued to frivolously deny Plaintiff's claim without just cause when, under one or more portions of the Policy, the obligation to settle the claim became reasonably clear.

18.

The Plaintiff's November 1, 2022, correspondence (Ex. C) to Defendant was a letter of representation from Plaintiff's counsel and a formal 60-Day demand, pursuant to the guidelines set forth in O.C.G.A. §33-4-6. After putting Defendant on notice of a potential lawsuit through the formal 60-Day demand, the Defendant continued to deny Plaintiff's claim without just cause.

19.

Defendant did not act fairly or honestly toward the Plaintiff, or with due regard to the Plaintiff's claim and interests, when Defendant, under all circumstances articulated herein, failed to indemnify the Plaintiff for their damages in direct breach of the terms and conditions of the Policy.

20.

Plaintiff has fulfilled all conditions precedent and contractual obligations under the Policy prior to this lawsuit, or the same were waived.

21.

There exists a genuine, justifiable controversy between the Plaintiff and the Defendant as to whether Defendant is responsible for further indemnification owed to the Plaintiff as a result of the Loss. Plaintiff has exhausted every reasonable means possible to resolve this dispute with the Defendant. With no other option, Plaintiff was constrained to hire legal counsel, incur additional expenses, and file this lawsuit.

22.

Plaintiff has suffered loss under the Policy in an amount to be determined at trial.

COUNT I: BREACH OF CONTRACT

23.

Plaintiff hereby adopts, re-alleges, and incorporates their allegations set forth in Paragraphs 1-22 of this Complaint as if fully set forth herein.

24.

Plaintiff has performed all conditions precedent to the Defendant's obligation to perform under the Policy including, without limitation, the timely payment of premiums, timely notice of the claim, and post loss obligations, or the Defendant has waived any and all other conditions.

25.

Under the terms of the Policy, Defendant is required to fully indemnify the Plaintiff for the damages sustained from the Loss.

26.

Despite Plaintiff's timely written demand, Defendant failed to provide full indemnification to the Plaintiff under the terms of the Policy.

27.

Defendant failed to act in good faith and fair dealing under the terms of the Policy by refusing to properly investigate and fully indemnify the Plaintiff according to the terms of the Policy.

28.

As a result of the Defendant's denying and delaying payment in Plaintiff's claim, Plaintiff sustained additional covered losses from mitigation and temporary repairs of the direct physical damage to the Property in an amount to be determined at trial.

29.

The Plaintiff suffered damages as a direct result of Defendant's failure to indemnify the Plaintiff for their loss.

30.

All foregoing conduct constitutes a breach of contract that has resulted in damages to the Plaintiff.

31.

WHEREFORE, Plaintiff prays for this Court to enter an award in Plaintiff's favor of compensatory damages, attorneys' fees, pre- and post-judgment interest, and such other and further relief as the Court may deem just and proper.

COUNT II: BAD FAITH PURSUANT TO O.C.G.A. § 33-4-6

32.

Plaintiff hereby adopts, re-alleges, and incorporates their allegations set forth in Paragraphs 1-31 of this Complaint as if fully set forth herein.

33.

By failing to achieve a proper disposition of Plaintiff's claim, Defendant acted frivolously, and without a reasonable basis or justification, in contravention of its duty of good faith and fair dealing.

34.

Defendant did not attempt in good faith to settle the Plaintiff's claim when it could have, and should have, done so under all attendant circumstances had it acted fairly and honestly toward the Plaintiff and with due regard for the Plaintiff's interests.

35.

Defendant's failures to adjust Plaintiff's claim in good faith include, but are not limited to:

- (1) Knowingly misrepresenting to claimants, and insureds, relevant facts or policy provisions relating to coverages at issue (*see* O.C.G.A. § 33-6-34(1));
- (2) Failing to acknowledge with reasonable promptness pertinent communications with respect to claims arising under its policies (*see* O.C.G.A. § 33-6-34(2));
- (3) Failing to adopt and implement procedures for the prompt investigation and settlement of claims arising under its policies (*see* O.C.G.A. § 33-6-34(3));
- (4) Not attempting in good faith to effectuate prompt, fair, and equitable settlement of claims submitted in which liability has become reasonable clear (*see* O.C.G.A. § 33-6-34(4));
- (5) Compelling insureds or beneficiaries to institute suits to recover amounts due under its policies by offering substantially less than the amounts ultimately recovered in suits brought by them (*see* O.C.G.A. § 33-6-34(5));
- (6) Refusing to pay claims without conducting a reasonable investigation (*see* O.C.G.A. § 33-6-34(6));

- (7) When requested by the insured in writing, failing to affirm or deny coverage of claims within a reasonable time after having completed its investigation related to such claim or claims (*see* O.C.G.A. § 33-6-34(7)); and
- (8) When requested by the insured in writing, failing in the case of payments or offers of compromise to provide promptly a reasonable and accurate explanation of the basis for such action (or, in the case of claims denials, providing said denial to the insured in writing) (*see* O.C.G.A. § 33-6-34(10)).

36.

The above and foregoing actions of Defendant constitute bad faith pursuant to O.C.G.A. § 33-4-6, as the Defendant refused to pay Plaintiff's covered loss within sixty (60) days after Plaintiff's timely written demand (Ex. C) for payment without a reasonable basis for doing so.

37.

Defendant frivolously, and without a reasonable basis, denied proper indemnification to the Plaintiff for their covered loss.

38.

Defendant's refusal to indemnify the Plaintiff was done frivolously, without a reasonable basis, and in bad faith.

39.

As a result of Defendant's above-referenced bad faith breach of the Policy issued to the Plaintiff, and pursuant to O.C.G.A. § 33-4-6(a), Defendant is liable for penalties in the amount of "not more than fifty percent (50%) of the liability of the insurer for the loss, or \$5,000.00, whichever is greater, and all reasonable attorneys' fees for the prosecution of the action against the Insurer."

40.

WHEREFORE, Plaintiff prays for this Court to enter an award, in Plaintiff's favor, of the statutory award in an amount of fifty percent (50%) of the total compensatory damages awarded or \$5,000.00, whichever is greater, along with a statutory allowance for reasonable attorneys' fees in prosecuting this action, pursuant to O.C.G.A. § 33-4-6, for Defendant's unfair claims settlement practices and bad faith refusal to pay Plaintiff's loss claim when it could and should have done so, had it acted fairly and reasonably toward the insured. .

DEMAND FOR JURY TRIAL

41.

Plaintiff requests a trial by Jury on all counts of the Complaint.

PRAYER FOR RELIEF

42.

WHEREFORE, Plaintiff requests that after due proceedings are had, all appropriate penalties be assessed against the Defendant and that the Plaintiff receive any and all damages at law to which they are justly entitled, and thus prays for judgment against the Defendant, as follows:

- a. That this Court grant judgment in favor of the Plaintiff and against Defendant in an amount to be determined at trial for breach of insurance contract.
- b. Compensatory damages, including all damages to the Plaintiff by the Defendant and any resulting expenses.
- c. Bad faith damages in an amount of fifty percent (50%) of the total compensatory damages awarded or \$5,000.00, whichever is greater, for Defendant's bad faith delay, denial, and its

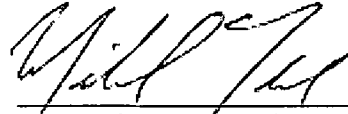
intentional, frivolous failure to conduct a reasonable investigation of the Plaintiff's claim without a reasonable basis;

- d. Plaintiff's attorneys' fees and costs of suit in this action;
- e. Plaintiff's consultant and expert fees;
- f. Pre- and post-judgment interest in the maximum amount allowed by law;
- g. All statutory penalties;
- h. Any and all applicable multipliers; and,
- i. Any and all other relief that the Court may deem just and proper, whether such relief sounds in law or equity.

Dated, this 11th day of January, 2023.

The Huggins Law Firm, LLC
110 Norcross Street
Roswell, GA 30075
(o) (770) 913-6229
(e) remington@lawhuggins.com
(e) mdturner@lawhuggins.com

RESPECTFULLY SUBMITTED,



J. Remington Huggins, Esq.
Georgia Bar No.: 348736
Michael D. Turner, Esq.
Georgia Bar No.: 216414
Attorneys for the Plaintiff

EXHIBIT A

16-0168-00
HAWKINS INSURANCE AGENCY
620 CONGAREE RD BLDG C
GREENVILLE SC 29607-3502

Auto-Owners **INSURANCE**

LIFE • HOME • CAR • BUSINESS

PO Box 30660 • Lansing, MI 48909-8160
517.323.1200

04-05-2021

Home-Owners Insurance Company

HERI AUM LLC
DBA FAIRFIELD INN AND SUITES
1 HAWKS PERCH WAY
SIMPSONVILLE SC 29681-5793

You can view your policy or change your paperless options at
any time online at www.auto-owners.com.

Your agency's phone number is 864-232-6000.

RE: Policy 204618-36336678-21

Thank you for selecting Auto-Owners Insurance Group to serve your insurance needs! Feel free to contact your independent Auto-Owners agent with questions you may have.

Auto-Owners and its affiliate companies offer a full complement of policies, each of which has its own eligibility requirements, coverages and rates. Please take this opportunity to review your insurance needs with your Auto-Owners agent, and discuss which company and program may be most appropriate for you.

Auto-Owners Insurance Company was formed in 1916. Our A++ (Superior) rating by A.M. Best Company signifies that we have the financial strength to provide the insurance protection you need. The Auto-Owners Insurance Group is comprised of six property and casualty companies and a life insurance company.

Serving Our Policyholders and Agents Since 1916

NOTICE OF PRIVACY PRACTICES

What We Do To Protect Your Privacy

At Auto-Owners Insurance Group*, we value your business and we want to retain your trust. In the course of providing products and services, we may obtain nonpublic personal information about you. We assure you that such information is used only for the purpose of providing our products and services to you.

Protecting Confidentiality

Our agents and Company associates may have access to nonpublic personal information only for the purpose of providing our products or services to you. We maintain physical, electronic and procedural safeguards against unauthorized use of your nonpublic personal information.

Information We Obtain

To assist in underwriting and servicing your policy, we may obtain nonpublic personal information about you. For example, we routinely obtain information through applications, forms related to our products or services, from visiting www.auto-owners.com, and your transactions with us. We may obtain such information from our affiliates, independent insurance agents, governmental agencies, third parties, or consumer reporting agencies.

The type of information that we collect depends on the product or service requested, but may include your name, address, contact information, social security number, credit history, claims history, information to properly investigate and resolve any claims, or billing information. We may obtain your medical history with your permission. The nature and extent of the information we obtain varies based on the nature of the products and services you receive.

The Internet and Your Information

If you would like to learn about how we gather and protect your information over the Internet, please see our online privacy statement at www.auto-owners.com/privacy.

Generally, Auto-Owners may use cookies, analytics, and other technologies to help us provide users with better service and a more customized web experience. Our business partners may use tracking services, analytics, and other technologies to monitor visits to www.auto-owners.com. The website may use web beacons in addition to cookies. You may choose to not accept cookies by changing the settings in your web browser.

Information obtained on our websites may include IP address, browser and platform types, domain names, access times, referral data, and your activity while using our site; who should use our web site; the security of information over the Internet; and links and co-branded sites.

Limited Disclosure

Auto-Owners Insurance Group companies do not disclose any nonpublic personal information about their customers or former customers except as permitted by law. We do not sell your personal information to anyone. We do not offer an opportunity for you to prevent or "opt out of" information sharing since we only share personal information with others as allowed by law.

When sharing information with third parties to help us conduct our business, we require them to protect your personal information. We do not permit them to use or share your personal information for any purpose other than the work they are doing on our behalf or as required by law.

The types of information disclosed may include personal information we collect as necessary to service your policy or account, investigate and pay claims, comply with state and federal regulatory requests or demands, and process other transactions that you request. Third parties that receive disclosures may include your independent agent, regulators, reinsurance companies, fraud prevention agencies, or insurance adjusters.

How Long We Retain Your Information

We generally retain your information as long as reasonably necessary to provide you services or to comply with applicable law and in accordance with our document retention policy. We may retain copies of information about you and any transactions or services you have used for a period of time that is consistent with applicable law, applicable statute of limitations or as we believe is reasonably necessary to comply with applicable law, regulation, legal process or governmental request, to detect or prevent fraud, to collect fees owed, to resolve disputes, to address problems with our services, to assist with investigations, to enforce other applicable agreements or policies or to take any other actions consistent with applicable law.

In some circumstances we may anonymize your personal information (so that it can no longer be associated with you) for research or statistical purposes, in which case we may use this information indefinitely without further notice to you. This allows the specific information collected (name, email, address, phone number, etc.) to become anonymous, but allows Auto-Owners to keep the transaction or engagement data.

Changes to the Privacy Policy

We will provide a notice of our privacy policy as required by law. This policy may change from time to time, but you can always review our current policy by visiting our website at www.auto-owners.com/privacy or by contacting us.

Contact Us

Auto-Owners Insurance Company
Phone: 844-359-4595 (toll free)
Email: privacyrequest@aoins.com

*Auto-Owners Insurance Group includes, Auto-Owners Insurance Company, Auto-Owners Life Insurance Company, Home-Owners Insurance Company, Owners Insurance Company, Property-Owners Insurance Company and Southern-Owners Insurance Company.

Policy Number: 204618-36336678-21
Insurance Company: HOME-OWNERS INSURANCE COMP
Renewal Effective Date: 04-01-2021

Dear Policyholder,

Thank you for choosing us for your insurance needs. Your policy is set to renew on the renewal effective date shown above. This letter gives you advance notice of change(s) as listed below:

Your renewal premium will be \$45,147.00 or \$40,592.00 if paid in full. The premium has increased by \$26,648.00. (Calculated changes are based on your current policy information. Your actual premium could vary if the information on file is incorrect or if your needs and renewal coverages change.)

This notice is for informational purposes only. Your policy contains the specific terms and conditions of coverage.

If you have any questions regarding your policy or this notice, please contact your Auto-Owners Insurance agency.

YOUR INSURANCE AUDIT - HOW TO SAVE TIME AND MONEY

WHAT IS AN INSURANCE AUDIT?

Insurance audits are typically performed on commercial insurance policies providing auto, general liability, garage liability, umbrella and workers compensation coverages. When these policies are issued, you are asked to pay an estimated premium. Estimated premiums are based on the nature of your business and your estimate of exposures (i.e., payroll, sales, etc.) for the policy period.

Once your policy expires, we conduct an audit to collect information on actual exposures and operations. From this information, we determine the final earned premium. Premium adjustments are then determined by comparing audited exposures and operations with the original policy estimates.

WHAT RECORDS ARE NEEDED FOR THE AUDIT?

Good record keeping is important to the audit process. Accurate records provide and confirm information, save time and minimize your insurance costs. The premium auditor will let you know which of the following records will be needed for your audit when the audit appointment is made.

- **PAYROLL RECORDS** include payroll journal and summary, federal tax reports (941's), state unemployment reports and individual earnings records. Totals should be kept for overtime when applicable.
- **EMPLOYEE RECORDS** include the number of employees and hours, days or weeks worked annually.
- **SALES JOURNAL** includes all goods or products sold, rented and/or distributed as well as service, repair and installation. Sales or excise taxes collected separately and submitted to the government need to be identified in order to be excluded.
- **CHECK REGISTER** and **CASH DISBURSEMENTS** show payments to subcontractors, material costs and payments for casual labor.
- **CERTIFICATES OF INSURANCE** show the subcontractors used during the policy period for construction, erection and/or repair for general liability and workers compensation insurance coverages. They are also used for commercial automobile hired auto coverage.
- **INCOME STATEMENTS** include subcontracted labor costs and payroll amounts.

WHEN AND HOW WILL THE AUDIT BE DONE?

We will collect audit information from you shortly after your policy expires. Smaller, less complex policies may only require that you assemble and send the necessary information to us, or have the information available when a telephone auditor calls.

Larger and more complicated policies are handled by a field auditor, who will schedule an appointment with you shortly after the policy expires.

If you must change or cancel a scheduled appointment, please contact the auditor as far in advance as you can. It is best to schedule and complete this audit within 30 days from your policy expiration date. It is important for the auditor to ask questions about your operations. If you cannot be present to answer questions, someone familiar with the specifics of your entire business operations should be available. If you direct us to your accountant, we will obtain as much information as possible from your accountant and contact you with additional questions.

Most of our audits take a half hour or less, but audits of larger policies may take longer. Though the auditor will have a number of questions, you will not have to be directly involved during the entire audit if adequate records are available.

HOW CAN YOU SAVE MONEY?

There are several ways you can save on premium dollars depending on the type of business and coverages you have. Not all of the following may apply to your particular business.

- **PAYROLL DIVISION** - A single employee's payroll can be divided, except when the employee works in a clerical, sales, drafting or driving position. Proper records must be kept in dollar amounts that reflect work actually performed before a breakdown can be applied. Without adequate records, the entire payroll for the employee must be placed in the highest rated classification.
- **EMPLOYEE TIPS** - Tips declared by employees may be excluded from their gross payroll only if separately identified. Amounts added to customer's bills, such as service charges, which are collected by you and disbursed to your employees are not excludable.
- **CERTIFICATES OF INSURANCE** - Have certificates available for the audit at your premises (or your accountant's) to ensure that charges are not made unnecessarily. It is best to obtain a certificate of insurance prior to a subcontractor performing work for you. Certificates must cover the period when the subcontractor worked for you. This may require certificates covering two different policy terms for the subcontractor.
- **DRIVERS** - (For general liability coverage), employees with the sole responsibility of driving may often be excluded from chargeable payroll, if their wages are shown separately. However, employees who perform other duties besides driving must be placed in the highest rated class describing their duties.
- **COST OF HIRE** is commonly used on commercial automobile policies as a premium basis for hired auto coverage. This includes automobiles and trailers used under contract on behalf of or loaned to the named insured, which may include rental units as well as subcontracted hauling for the insured.

Your business is unique. If you have questions about how your specific circumstances will affect savings, please contact your insurance agent.

BASIC DEFINITIONS

- **REMUNERATION** is commonly called payroll, but can include items not normally part of payroll, or exclude items which are part of payroll. It includes wages, the value of meals and lodging, and other substitutes for money. (Substitutes for money include draws, dividends, traveling expenses and travel time payments, gift certificates or merchandise credits, annuities, and contributions to individual retirement accounts. This list is not all inclusive but represents common substitutes for money). Your premium auditor will discuss this with you at the time of your audit.
- **OVERTIME** is the hours worked for which there is an increase in the rate of pay. It includes:
 1. Work in excess of 8 hours per day, or 40 hours per week.
 2. Work on Saturdays, Sundays or holidays.
 3. Work in any day or week, in excess of a guaranteed wage agreement.
 4. Ordinarily, overtime pay is equal to 1 1/2 times the regular hourly rate. For example, a regular pay rate of \$10 per hour at time and a half generates a \$15 per hour overtime rate. If the extra \$5 of pay is shown separately, it is excluded in total. If total overtime wage is shown in a combined amount of \$15 (regular pay plus increase) and included in gross payroll, one third (\$5) will be deducted from gross pay. If the overtime wage is calculated at double time, one half will be deducted from gross pay.
 5. Extra pay for shift differential is not considered overtime.
- **GROSS SALES** is the gross amount charged by you or others trading under your name for all goods or products sold or distributed, operations performed and rentals. Some deductions from gross sales include sales or excise tax, returns and allowances and finance charges for items sold on installment.
- **SUBCONTRACTOR** is often used interchangeably with "independent contractor". We ordinarily apply the definition to subcontractors performing construction, erection or structural alteration for a general contractor. Most workers compensation laws hold you responsible for employees of an uninsured subcontractor. In some states, they may extend to an uninsured subcontractor without employees, if an employee-employer relationship can be established. A liability policy will also include a charge for subcontractors as though they were your employees if there is no certificate showing evidence of insurance. Subcontractors can easily obtain a certificate of insurance through their insurance agent.
- **TOTAL COST** is the cost of all work let or sublet in connection with each specific project including:
 1. The cost of all labor, materials and equipment furnished, used, or delivered for use in the execution of the work.

2. All fees, bonuses or commissions made, paid or due.
3. The rates apply per \$1,000 of total cost.

COMMONLY ASKED QUESTIONS

- Q: Why is an audit necessary?
- A: To calculate the exact amount of premium you will be charged. Actual exposures and operations are determined by an audit. After they are compared with initial estimates and later endorsements, a final audit premium is determined.
- Q: If overtime is not summarized, will I still get credit?
- A: Overtime records must show overtime pay separately by employee or classification or it will not be deducted.
- Q: If I do not have certificates of insurance from subcontractors for the audit, will I be able to get them?
- A: It is in your best interest to request a certificate from a subcontractor prior to the work being performed, rather than at the time of audit. You will be charged for employees of those subcontractors not providing certificates as though they were your employees.
- Q: Several of my employees do more than one type of work. How should I assign their payrolls?
- A: Payrolls may be divided into appropriate classifications, provided the division is reflected on the original records in dollar amounts.
- Q: Some of my work could be considered clerical and sales. Should I separate it?
- A: The clerical and sales classifications cannot be used with any other class for division of a single employee's payroll.
- Q: Is it necessary to provide audit information if my renewal policy has been canceled?
- A: Yes, policies are issued using estimated payroll or sales. Actual payroll or sales needs to be known to determine if additional premium is due the company, or a return premium is due the policyholder.

In some states, a surcharge/penalty may be applied to the policy for failure to comply with the audit process.

59321 (7-00)

NOTICE
Georgia

The laws of the State of Georgia prohibit insurers from unfairly discriminating against any person based upon his or her status as a victim of family violence.

59321 (7-00)

Page 1 of 1

59390 (11-20)

NOTIFICATION OF POSSIBLE CHANGES IN COVERAGE FOR TERRORISM

Dear Policyholder:

The Terrorism Risk Insurance Act (including ensuing Congressional actions pursuant to the Act) will expire on December 31, 2027 unless the Federal government extends the Act. What this means to you is the following:

1. Subject to policy terms and conditions, the enclosed policy will provide insurance coverage for certified acts of terrorism as defined in the Act only until December 31, 2027.
2. A conditional endorsement entitled, Conditional Exclusion Of Terrorism Involving Nuclear, Biological Or Chemical Terrorism (Relating To Disposition Of Federal Terrorism Risk Insurance Act) is enclosed. This conditional endorsement will only apply if the Act is not extended or if the Act is revised to increase statutory deductibles, decrease the federal government's share in potential losses above the statutory deductibles, change the levels, terms or conditions of coverage and we are no longer required to make terrorism coverage available and elect not to do so. It will not apply if the Act is simply extended.
3. The conditional endorsement will provide coverage for an incident of terrorism pursuant to the terms and conditions of the policy only if the incident does not involve nuclear, biological or chemical material.
4. A premium charge for the conditional endorsement will be applied effective January 1, 2028. The premium will be pro rated for the remainder of the policy term and is one-half of the current premium charge appearing in the Declarations for TERRORISM - CERTIFIED ACTS. However, it will only be made if the Terrorism Risk Insurance Act (including ensuing Congressional actions pursuant to the Act) is not extend. Revised Declarations will be mailed to you after January 1, 2028.
5. If the Act is extended without any revision, the enclosed policy will continue to provide coverage for certified acts of terrorism. The conditional endorsement will not be activated and the changes in coverage or premium referenced above will not apply.
6. If the Act is extended with revisions or is replaced, and we are required or elect to continue to offer coverage for certified acts of terrorism, we may amend this policy in accordance with the provisions of the revised Act or its replacement.

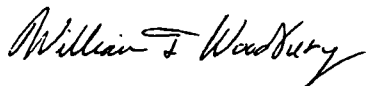
This notice is for informational purposes only.

If you have any questions concerning your policy or this notice, please contact your Auto-Owners agency.

Tailored Protection Insurance Policy

Home-Owners Insurance Company

In witness whereof, we, the Home-Owners Insurance Company, have caused this policy to be issued and to be duly signed by our President and Secretary.

Handwritten signature of William J. Woodbury in cursive script.

Secretary

Handwritten signature of Michael D. P. L. in cursive script.

President

55002 (7-12)

Home-Owners

Page 1

Issued 04-05-2021

INSURANCE COMPANY
6101 ANACAPRI BLVD., LANSING, MI 48917-3999

TAILORED PROTECTION POLICY DECLARATIONS

AGENCY HAWKINS INSURANCE AGENCY
16-0168-00 MKT TERR 047 864-232-6000

Rewrite Effective 04-01-2021

INSURED HERI AUM LLC
DBA FAIRFIELD INN AND SUITES

POLICY NUMBER 204618-36336678-21

Company Use 36-46-SC-2003

ADDRESS 1 HAWKS PERCH WAY
SIMPSONVILLE SC 29681-5793

Company
Bill**Policy Term**

12:01 a.m. 12:01 a.m.
04-01-2021 to 04-01-2022

55039 (11-87)

COMMON POLICY INFORMATION**Business Description:** Hotel**Entity:** Limited Liab Corp**Program:** Hotel Without Restaurant

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PART(S):	PREMIUM
COMMERCIAL PROPERTY COVERAGE	\$21,040.00
COMMERCIAL GENERAL LIABILITY COVERAGE	\$23,946.00
COMMERCIAL INLAND MARINE COVERAGE	\$151.00
MINIMUM PREMIUM ADJUSTMENT (IM)	\$10.00
TOTAL	\$45,147.00
PAID IN FULL DISCOUNT	\$4,555.00
TOTAL POLICY PREMIUM IF PAID IN FULL	\$40,592.00

THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

The Paid in Full Discount does not apply to fixed fees, statutory charges or minimum premiums.

Premium shown above for commercial general liability coverage is an advanced premium deposit and may be subject to audit.

Forms that apply to all coverage part(s) shown above (except garage liability, dealer's blanket, commercial automobile, if applicable):
IL0017 (11-85) 55002 (07-12) 59390 (11-20)

A merit rating plan factor of 0.97 applies.

Home-Owners Ins. Co.

Issued 04-05-2021

 AGENCY HAWKINS INSURANCE AGENCY
 16-0168-00 MKT TERR 047

 Company POLICY NUMBER 204618-36336678-21
 Bill 36-46-SC-2003

INSURED HERI AUM LLC

Term 04-01-2021 to 04-01-2022

54104 (07-87)

COMMERCIAL PROPERTY COVERAGE

55198 (12-10)

PREMIER HOTEL PROPERTY PLUS COVERAGE PACKAGE DECLARATIONS

The coverages and limits below apply separately to each location or sublocation that sustains a loss to covered property and is designated in the Commercial Property Coverage Declarations. No deductible applies to the below Hotel Plus Coverages.

COVERAGE	LIMIT
ACCOUNTS RECEIVABLE	\$200,000
BAILEES	\$15,000
	\$10,000 PER ITEM
BILLBOARDS OWNED BY THE INSURED	\$15,000
BUSINESS INCOME & EXTRA EXPENSE W/RENTAL VALUE, INCLUDING NEWLY ACQUIRED LOC'S 0 HOUR WAITING PERIOD	ACTUAL LOSS SUSTAINED 12 MONTHS
DEBRIS REMOVAL	\$100,000
ELECTRONIC DATA PROCESSING EQUIPMENT	\$100,000
EMPLOYEE DISHONESTY	\$50,000
EXPANDED BUILDING DEFINITION	INCLUDED
FINE ARTS, COLLECTIBLES AND MEMORABILIA	\$50,000
	\$10,000 PER ITEM
FIRE DEPARTMENT SERVICE CHARGE	\$25,000
FORGERY AND ALTERATION	\$50,000
HOUSEHOLD PERSONAL PROPERTY	\$15,000
INNKEEPERS LIABILITY	\$15,000
	\$5,000 PER GUEST
MONEY AND SECURITIES INSIDE PREMISES	\$50,000
MONEY AND SECURITIES OUTSIDE PREMISES	\$50,000
NEWLY ACQUIRED BUSINESS PERSONAL PROPERTY	\$500,000 FOR 90 DAYS
NEWLY ACQUIRED OR CONSTRUCTED PROPERTY	\$1,000,000 FOR 90 DAYS
ORDINANCE OR LAW	SEE COMMERCIAL PROPERTY DECLARATIONS
OUTDOOR PROPERTY	\$25,000
TREES, SHRUBS OR PLANTS	\$1,000 PER ITEM
RADIO OR TELEVISION ANTENNAS	\$20,000
PERSONAL EFFECTS AND PROPERTY OF OTHERS	\$50,000
POLLUTANT CLEAN UP AND REMOVAL	\$100,000
PROPERTY IN TRANSIT	\$100,000
PROPERTY OFF PREMISES	\$100,000

Home-Owners Ins. Co.

Issued 04-05-2021

 AGENCY HAWKINS INSURANCE AGENCY
 16-0168-00 MKT TERR 047

 Company POLICY NUMBER 204618-36336678-21
 Bill 36-46-SC-2003

INSURED HERI AUM LLC

Term 04-01-2021 to 04-01-2022

55198 (12-10)

PREMIER HOTEL PROPERTY PLUS COVERAGE PACKAGE DECLARATIONS

COVERAGE	LIMIT
REFRIGERATED PRODUCTS	\$25,000
SALESPERSON'S SAMPLES	\$25,000
UTILITY SERVICES FAILURE	\$150,000
VALUABLE PAPERS AND RECORDS ON PREMISES	\$150,000
VALUABLE PAPERS AND RECORDS OFF PREMISES	\$25,000
WATER BACK-UP FROM SEWERS OR DRAINS	\$50,000

Forms that apply to this coverage part:

64014 (07-17)	54198 (12-10)	54334 (12-10)	64020 (12-10)	54189 (12-10)
54186 (12-10)	54218 (03-13)	54217 (03-13)	54216 (03-13)	54214 (03-13)
54221 (12-10)	54220 (06-00)	54219 (12-10)	54173 (05-15)	25006 (05-15)
54338 (03-13)	54339 (03-13)	64010 (12-10)	64000 (12-10)	

Coverages Provided

Insurance at the described premises applies only for coverages for which a limit of insurance is shown.

LOCATION 0001 - BUILDING 0001**Location:** 1255 Walker Ave, East Point, GA 30344-5014**Occupied As:** Hotels**Secured Interested Parties:** See Attached Schedule**Rating Information**

Territory: 316

County: Fulton

Program: Hotel Without Restaurant

Construction: Modified F/R

Protection Class: 01

Class Code: 0747

Rated As Sprinklered

Class Rate - Building: 0.222

Class Rate - Pers Prop: 0.394

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT	RATE	PREMIUM
BUILDING			\$8,552,800		
Causes of Loss					
Basic Group I	100%	\$5,000		0.083	\$7,099.00
Basic Group II	100%	\$5,000		0.075	\$6,415.00
Special	100%	\$5,000		0.025	\$2,138.00
Theft	100%	\$5,000			Included

Home-Owners Ins. Co.

Issued 04-05-2021

AGENCY HAWKINS INSURANCE AGENCY
16-0168-00 MKT TERR 047Company POLICY NUMBER 204618-36336678-21
Bill 36-46-SC-2003

INSURED HERI AUM LLC

Term 04-01-2021 to 04-01-2022

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT	RATE	PREMIUM
OPTIONAL COVERAGE					
Inflation Guard Factor Building 1.046					
Replacement Cost					
Equipment Breakdown		\$5,000	See Form 54843		\$379.00
Hotel Plus Coverage Package		None	See 55198 (12-10)		\$2,388.00
Tier: Premier					
ORDINANCE OR LAW					
Coverage A-Undamaged Portion		\$5,000	Incl in Bldg Limit		Included
Coverage B-Demolition		\$5,000	\$160,000		Included
Coverage C-Increased Cost		\$5,000	\$160,000		Included
PERSONAL PROPERTY			\$508,500		
Causes of Loss					
Basic Group I	90%	\$5,000		0.233	\$1,185.00
Basic Group II	90%	\$5,000		0.042	\$214.00
Special	90%	\$5,000		0.094	\$478.00
Theft	90%	\$5,000			Included
OPTIONAL COVERAGE					
Replacement Cost					
Inflation Guard Factor Personal Property 1.010					
Equipment Breakdown		\$5,000	See Form 54843		\$45.00
Hotel Plus Coverage Package		None	See 55198 (12-10)		\$286.00
Tier: Premier					
ORDINANCE OR LAW					
Coverage D-Tenant's I&B		\$5,000	\$160,000		Included

Forms that apply to this building:

59350 (01-15)	54833 (07-08)	IL0262 (02-15)	IL0003 (07-02)	64085 (10-13)
64062 (05-13)	64224 (01-16)	64021 (01-20)	59321 (07-00)	59325 (12-19)
64326 (07-19)	CP0090 (07-88)	54402 (03-12)	64000 (12-10)	64013 (12-10)
64010 (12-10)	64020 (12-10)	54843 (07-19)	64014 (07-17)	54173 (05-15)
25006 (05-15)	59390 (11-20)			

COMMERCIAL PROPERTY COVERAGE - LOCATION 0001 SUMMARY	PREMIUM
TERRORISM - CERTIFIED ACTS SEE FORM: 59350, 54833, 59390	\$413.00
LOCATION 0001	\$21,040.00

Secured Interested Parties and/or Additional Interested Parties

Applies to Loc/Bldg(s):

0001/001

BUSINESS LOAN CAPITAL INC ISAO

15375 Barranca Pkwy Ste B202

Irvine, CA 92618-2213

Interest: Lender's Loss Payable

Home-Owners Ins. Co.

Issued 04-05-2021

AGENCY HAWKINS INSURANCE AGENCY
16-0168-00 MKT TERR 047

Company POLICY NUMBER 204618-36336678-21
Bill 36-46-SC-2003

INSURED HERI AUM LLC

Term 04-01-2021 to 04-01-2022

Applies to Loc/Bldg(s):

0001/001
THE NATIONAL SLOVAK SOCIETY OF
THE UNITED STATES
15375 Barranca Pkwy Ste B202
Irvine, CA 92618-2213
Interest: Mortgagee

Applies to Loc/Bldg(s):

0001/001
THE NATIONAL SLOVAK SOCIETY OF
THE UNITED STATES
15375 Barranca Pkwy Ste B202
Irvine, CA 92618-2213
Interest: Mortgagee

Applies to Loc/Bldg(s):

0001/001
MARRIOTT INTERNATIONAL INC
Po Box 140528
Kansas City, MO 64114-8528
Interest: Loss Payable

Applies to Loc/Bldg(s):

0001/001
US SMALL BUSINESS ADMIN
C/O FLORIDA BUSINESS DEV CORP
7270 Nw 12Th St Ph-6
Miami, FL 33126
Interest: Mortgagee

Applies to Loc/Bldg(s):

0001/001
US SMALL BUSINESS
ADMINISTRATION C/O FLORIDA
7270 Nw 12Th St Ph-6
Business Development Corp.
Miami, FL 33126
Interest: Lender's Loss Payable

55040 (11-87)

COMMERCIAL GENERAL LIABILITY COVERAGE

COVERAGE	LIMITS OF INSURANCE
General Aggregate (Other Than Products-Completed Operations)	\$4,000,000
Products-Completed Operations Aggregate	\$4,000,000
Personal And Advertising Injury	\$2,000,000
Each Occurrence	\$2,000,000

Home-Owners Ins. Co.

Issued 04-05-2021

 AGENCY HAWKINS INSURANCE AGENCY
 16-0168-00 MKT TERR 047

 Company POLICY NUMBER 204618-36336678-21
 Bill 36-46-SC-2003

INSURED HERI AUM LLC

Term 04-01-2021 to 04-01-2022

COVERAGE	LIMITS OF INSURANCE
COMMERCIAL GENERAL LIABILITY PLUS ENDORSEMENT	
Damage to Premises Rented to You (Fire, Lightning, Explosion, Smoke or Water Damage)	\$300,000 Any One Premises
Medical Payments	\$10,000 Any One Person
Expanded Coverage Details See Form:	
Extended Watercraft	
Personal Injury Extension	
Broadened Supplementary Payments	
Broadened Knowledge Of Occurrence	
Additional Products-Completed Operations Aggregate	
Blanket Additional Insured - Lessor of Leased Equipment	
Blanket Additional Insured - Managers or Lessors of Premises	
Newly Formed or Acquired Organizations Extension	
Blanket Waiver of Subrogation	

Twice the "General Aggregate Limit", shown above, is provided at no additional charge for each 12 month period in accordance with form 55885.

AUDIT TYPE: Annual Audit

Forms that apply to this coverage:

59350 (01-15)	55405 (07-08)	55146 (06-04)	CG2106 (05-14)	CG2109 (06-15)
55352 (05-17)	CG2416 (12-07)	CG2008 (04-13)	CG2245 (04-13)	CG3201 (12-04)
IL0021 (07-02)	59321 (07-00)	59325 (12-19)	CG0001 (04-13)	IL0262 (02-15)
IL0017 (11-85)	55513 (05-17)	55029 (05-17)	CG2196 (03-05)	CG2132 (05-09)
CG2147 (12-07)	55885 (05-17)	CG2029 (04-13)	59390 (11-20)	

LOCATION 0001 - BUILDING 0001

Location: 1255 Walker Ave, East Point, GA 30344-5014

Territory: 002

County: Fulton

CLASSIFICATION	CODE	SUBLINE	PREMIUM BASIS	RATE	PREMIUM
Commercial General Liability Plus Endorsement Included At 7.5% Of The Premises Operation Premium	00501	Prem/Op	Prem/Op Prem Included	Included	Included
Hotels - With Pools Or Beaches - Four Stories Or More	45191	Prem/Op Prod/Comp Op	Gross Sales \$2,600,000 \$2,600,000	Each 1000 8.707 .383	\$22,638.00 \$996.00
Additional Interests	49950				
Grantor Of Franchise					
1. Marriott Internation		Prem/Op Prod/Comp Op	Flat Charge Flat Charge		\$35.00 \$40.00

Home-Owners Ins. Co.

Issued 04-05-2021

 AGENCY HAWKINS INSURANCE AGENCY
 16-0168-00 MKT TERR 047

 Company POLICY NUMBER 204618-36336678-21
 Bill 36-46-SC-2003

INSURED HERI AUM LLC

Term 04-01-2021 to 04-01-2022

COMMERCIAL GENERAL LIABILITY COVERAGE - LOCATION 0001 SUMMARY	PREMIUM
TERRORISM - CERTIFIED ACTS SEE FORM: 59350, 55405, 59390	\$237.00
LOCATION 0001	\$23,946.00

16198 (07-87)

COMMERCIAL INLAND MARINE COVERAGE

COVERAGES PROVIDED

Insurance applies to covered property for which a limit of insurance is shown.

Forms that apply to Inland Marine:

59350 (01-15)	16381 (07-08)	16080 (07-13)	16213 (03-88)	16518 (03-12)
16528 (05-13)	16218 (09-14)	59321 (07-00)	59325 (12-19)	16859 (07-19)
59390 (11-20)				

LOCATION 0001 - BUILDING 0001

Location: 1255 Walker Ave, East Point, GA 30344-5014

Rating Information for TOOLS AND EQUIPMENT (TE)- ACTUAL CASH VALUE

Territory: 060

County: Fulton

Program: Hotel Without Restaurant

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT	RATE	PREMIUM
TOOLS AND EQUIPMENT (TE)- ACTUAL CASH VALUE					
INSURED'S EQUIPMENT - SPECIAL FORM Unscheduled Items Up To \$2,500 Each		\$1,000	\$2,500	Variable	\$81.00
TOTAL FOR THIS COVERAGE:					\$81.00

Forms that apply to this location:

16010 (04-15)

COMMERCIAL INLAND MARINE COVERAGE - LOCATION 0001 SUMMARY	PREMIUM
TERRORISM - CERTIFIED ACTS SEE FORM: 59350, 16381, 59390	\$1.00
LOCATION 0001	\$82.00

A single deductible applies per claim. If more than one item is involved in a claim, the single highest applicable deductible amount is used.

	PREMIUM
TOOLS AND EQUIPMENT SUBTOTAL	\$81.00
TOOLS AND EQUIPMENT BALANCE TO MINIMUM	\$69.00

COMMERCIAL GENERAL LIABILITY
CG 20 28 04 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - LESSOR OF LEASED EQUIPMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

- A. Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person(s) or organization(s).
However:
1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
 2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.
- B.** With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.
- C.** With respect to the insurance afforded to these additional insureds, the following is added to **Section III – Limits Of Insurance**:
If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:
1. Required by the contract or agreement; or
 2. Available under the applicable Limits of Insurance shown in the Declarations; whichever is less.
- This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

COMMERCIAL GENERAL LIABILITY
CG 20 29 04 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - GRANTOR OF FRANCHISE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Person(s) Or Organization(s):

MARRIOTT INTERNATIONAL NC

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to their liability as grantor of a franchise to you.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Section III – Limits Of Insurance:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
 2. Available under the applicable Limits of Insurance shown in the Declarations;
- whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

Page 1 of 1

25006 (5-15)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HOTEL PLUS - CRIME COVERAGE ENDORSEMENT

Tailored Protection Policy

This endorsement adds Crime Coverage for the following:

LIABILITY FOR GUESTS PROPERTY - PREMISES

A. COVERAGE

We will pay those sums that you become legally obligated to pay as damages because of loss or destruction of, or damage to Covered Property. We have the right and duty to defend any suit brought against you seeking damages that are payable under this insurance.

1. Covered Property

Any property, other than that specified as Property Not Covered, belonging to your "guests" while the property is:

- a. Inside the "premises"; or
- b. In your possession.

2. Property Not Covered

a. Samples, Articles for Sale

Samples or articles carried or held for sale or for delivery after sale.

b. Vehicles

Any vehicle including:

- (1) Its equipment and accessories; and
- (2) Any property contained in or on a vehicle.

3. Supplementary Payments

If we defend any suit, we will pay with respect to:

a. Expenses

- (1) Reasonable expenses you incur at our request;
- (2) Expenses we incur; and
- (3) Costs charged against you.

b. Interest

- (1) Interest on the full amount of any judgment that accrues:
 - (a) After entry of the judgment; and
 - (b) Before we pay, offer to pay or deposit in court that part of the judgment for which we are liable under this insurance.
- (2) Prejudgment interest awarded against you on that part of the judgment we pay. If we make an offer to pay the Limit of Insurance, we will not pay any

prejudgment interest based on that period of time after the offer.

c. Loss of Wages or Salary

Actual loss of wages or salary (but not other income) because of required attendance at hearings or trials connected with the suit. But, we will not pay more than \$100 per day under this part of the Supplementary Payments.

d. Premiums for Bonds

Premiums for the following types of bonds having penalties totaling not more than the Limit of Insurance shown in the Hotel Plus Coverage Declarations.

- (1) Appeal bonds required in the suit; and
- (2) Bonds to release attachments. But, we do not have to apply for or furnish those bonds.

Our liability for Supplementary Payments is in addition to the Limit of Insurance shown in the Hotel Plus Coverage Declarations.

B. LIMIT OF INSURANCE

1. The most we will pay in the aggregate for all damages because of loss or destruction of or damage to Covered Property in any one "occurrence" is the per occurrence Limit of Insurance shown in the Hotel Plus Coverage Declarations.
2. Subject to the applicable limit stated in 1. above, the most we will pay for all damages because of loss or destruction of or damage to property of any one "guest" is the per guest Limit of Insurance shown in the Hotel Plus Coverage Declarations.

All loss, destruction or damage involving a single act or series of related acts whether caused by one or more persons is considered one "occurrence".

C. EXCLUSIONS, CONDITIONS, DEFINITIONS

This insurance is subject to the following:

1. Exclusions

We will not pay for damages arising out of, or the defense of any suit connected with, any of the following:

- a. **Acts Committed by You or Your Partners**
Loss or destruction of, or damage to property resulting from any dishonest or criminal act committed by you or any of your partners whether acting alone or in collusion with other persons.
 - b. **Assumed Liability**
Liability you assume under any written agreement. But this exclusion does not apply to any written agreement entered into with a "guest" before the "occurrence" of any loss, destruction or damage that increases to an amount not exceeding \$1,000 any lesser amount for which you may otherwise be liable under any statute.
 - c. **Fire**
Destruction of, or damage to property resulting from fire.
 - d. **Food or Liquid**
Destruction of, or damage to property resulting from the spilling, upsetting or leaking of any food or liquid.
 - e. **Governmental Action**
Loss or destruction of, or damage to property resulting from seizure or destruction of the property by order of governmental authority.
 - f. **Inherent Vice**
Destruction of, or damage to property resulting from insects, animals, wear and tear, gradual deterioration or inherent vice.
 - g. **Laundering or Cleaning**
Destruction of, or damage to property while in your care and custody for laundering or cleaning.
 - h. **Nuclear**
Loss or destruction of, or damage to property resulting from nuclear reaction, nuclear radiation or radioactive contamination, or any related act or incident.
 - i. **Release of Others from Liability**
Your release of any other person or organization from legal liability.
 - j. **War and Similar Actions**
Loss or destruction of, or damage to property resulting from war, whether or not declared, warlike action, insurrection, rebellion or revolution, or any related act or incident.
2. **Conditions**
- a. **Bankruptcy**
You or your estate's bankruptcy or insolvency will not relieve us of our obligations under this insurance.
 - b. **Defense, Investigation and Settlement**
 - (1) We may investigate and settle any claim or suit as we deem expedient.
 - (2) We will not defend any suit after having paid judgments or settlements equal to the Limit of Insurance shown in the Hotel Plus Coverage Declarations.
 - c. **Duties in the Event of Loss, Claim, or Suit**
In the event of loss, claim or suit you must:
 - (1) Notify us promptly of any loss, destruction or damage that may result in a claim;
 - (2) Give us prompt, written notice of any claim made or suit brought against you and:
 - (a) Send us immediately, copies of any demands, notices, summonses or legal papers received in connection with the claim or suit;
 - (b) Authorize us to obtain records and other information; and
 - (c) Cooperate with us in the defense, investigation or settlement of the claim or suit.

You may not voluntarily make a payment, assume any obligation or incur any expense without our consent. If you have reason to believe that any loss or destruction of, or damage to Covered Property involves a violation of law, you must notify the police.
 - d. **Joint Insured**
 - (1) If more than one Insured is named in the DECLARATIONS, the first Named Insured will act for itself and for every other Insured for all purposes of this insurance. If the first Named Insured ceases to be covered, then the next Named Insured will become the first Named Insured.
 - (2) If any Insured or partner or officer of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every insured.
 - (3) We will not pay more for damages for which more than one Insured is liable than the amount we would pay if one Insured were liable for the damages.
 - e. **Legal Action Against Us**
No person or organization has a right under this insurance:
 - (1) To name us a co-defendant in a suit asking for damages from you; or
 - (2) To sue us on this insurance unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final

judgment against you obtained after an actual trial. But, we will not be liable for damages that are not payable under the terms of this insurance or that are in excess of the Limit of Insurance. An agreed settlement means a settlement and release of liability signed by us, you and the claimant or the claimant's legal representative.

f. Non-Cumulation of Limit of Insurance

Limits of Insurance shown in the Hotel Plus Coverage Declarations do not cumulate from year to year or period to period.

g. Other Insurance

This insurance does not apply to damages recoverable or recovered under other insurance or indemnity. However, if the limit of the other insurance or indemnity is insufficient to cover the entire amount of the damages, this insurance will apply to that part of the damages not recoverable or recovered under the other insurance.

h. Policy Period

- (1) The Policy Period is the period shown in the DECLARATIONS.
- (2) We will pay only for damages because of loss or destruction of, or damage to Covered Property incurring during the Policy Period.

i. Territory

We will pay only for damages because of your legal liability for loss or destruction of,

or damage to Covered Property occurring within the United States of America, U.S. Virgin Islands, Puerto Rico, or Canada.

j. Transfer of Your Rights of Recovery Against Others to Us

You must transfer to us all your rights of recovery against any person or organization pertaining to the loss for which you were liable and for which we have paid damages or made a settlement. You must do everything necessary to secure these rights and do nothing to impair them.

3. Definitions

a. "Occurrence" means an:

- (1) Act or series of related acts involving one or more persons; or
- (2) Act or event, or a series of related acts or events not involving any person.

b. "Premises" mean the interior of that portion of any building at a location shown in the DECLARATIONS that you occupy in conducting your business.

c. "Guest" means that person who has paid a fee for their overnight lodging to you, during that period to which that fee applies.

All other policy terms and conditions apply.

54173 (5-15)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HOTEL PLUS ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

A. A. COVERAGE is amended.

1. Under **1. Covered Property**, **a. (2)** is deleted and replaced by the following.
 - (2) Fixtures, including outdoor fixtures of:
 - (a) Outdoor fences, light poles, storage buildings, pools, radio and television antennas (including satellite dishes), awnings and attached signs;
 - (b) Detached signs on or within 1,000 feet of the premises; and
 - (c) Billboard signs located anywhere within the coverage territory.
2. Under **2. Property Not Covered**, **q. (2)** is deleted and replaced by the following.
 - (2) Masts or towers, trees, shrubs or plants (other than "stock" of trees, shrubs or plants), all except as provided in the Coverage Extensions.
3. **5. Coverage Extensions** is amended.
 - a. **e. Outdoor Property** is deleted and replaced by the following.
 - e. **Outdoor Property**
You may extend the insurance provided by this Coverage Form to apply to your outdoor trees, shrubs and plants (other than "stock" of trees, shrubs or plants), including debris removal expense, caused by or resulting from any of the following causes of loss if they are covered causes of loss:
 - (a) Fire;
 - (b) Lightning;
 - (c) Explosion;
 - (d) Riot or Civil Commotion; or
 - (e) Aircraft.The most we will pay for loss or damage is \$10,000, but not more than \$1,000 for any one tree, shrub or plant, unless

higher limits are shown in the Declarations. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

b. The following is added.

Household Personal Property

You may extend the insurance that applies to **Your Business Personal Property** to Household Personal Property located in or on the building described in the Commercial Property Coverage Declarations or in the open (or in a vehicle) within 1,000 feet of the described premises, usual to the occupancy of the described premises as living quarters, that:

- (1) Belongs to you, or at your option:
 - (a) Your domestic worker; or
 - (b) A member of your family; or
- (2) For which you may be legally liable.
This includes property purchased under an installment plan. The most we will pay under this extension is the Limit of Insurance shown in the Declarations for HOUSEHOLD PERSONAL PROPERTY per occurrence. You may apply up to \$500 of this amount for such property while it is away from the described premises.

B. C. LIMITS OF INSURANCE is amended.

1. Paragraph 2. is deleted.
2. The following is added.
The most we will pay for loss or damage to billboard signs is the Limit of Insurance shown in the Declarations for BILLBOARDS OWNED BY THE INSURED.

All other policy terms and conditions apply.

54186 (12-10)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WATER BACK-UP FROM SEWERS OR DRAINS

This endorsement modifies insurance under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
BUSINESS INCOME AND EXTRA EXPENSE COVERAGE FORM
BUSINESS INCOME AND EXTRA EXPENSE ACTUAL LOSS SUSTAINED COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
CAUSES OF LOSS - SPECIAL FORM

1. Subject to the provisions of paragraph 2. below, under **B. EXCLUSIONS**, **g. Water** subparagraph (3) is deleted.
2. Under **C. LIMITATIONS** the following limitation is added:

In any one loss, we will not pay more than the Limit of Insurance shown in the Declarations under WATER BACK-UP FROM SEWERS OR DRAINS for loss of or damage to Covered Property caused by water back-up from sewers or drains. In the event that the amount of loss of or damage to Covered Property does not exceed the Limit of Insurance shown in the Declarations for WATER BACKUP FROM SEWERS OR DRAINS, you may, at your option, apply the remainder of this Limit of Insurance to your actual loss of Business Income or necessary Extra Expense, if any, subject to the terms and conditions of the BUSINESS INCOME AND EXTRA EXPENSE COVERAGE FORM, or the BUSINESS INCOME AND EXTRA EXPENSE ACTUAL LOSS SUSTAINED COVERAGE FORM.

All other policy terms and conditions apply.

54198 (12-10)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DEBRIS REMOVAL

This endorsement modifies insurance under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM

Under **A. COVERAGE, 4. Additional Coverages, a. Debris Removal**, **(4)** is deleted and replaced by the following:

(4) We will pay an additional amount, up to the Limit of Insurance shown in the Declarations for DEBRIS REMOVAL, for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:

(a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.

(b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if **(4)(a)** and/or **(4)(b)** apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus the Limit of Insurance shown in the Declarations for DEBRIS REMOVAL.

All other policy terms and conditions apply.

54198 (12-10)

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Page 1 of 1

54216 (3-13)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SALESPERSON'S SAMPLES

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
CAUSES OF LOSS - SPECIAL FORM

1. Under the **A. COVERAGE, 4. Additional Coverages**, the following Additional Coverage is added:

Salesperson's Samples

We will pay for direct physical loss of or damage to samples of merchandise described which are:

- a. Owned by you while in your care, custody or control;
- b. Owned by you and in the care, custody or control of your salesperson and/or agents; or
- c. While in transit, except by parcel post, between your premises and the salesperson and/or agent caused by or resulting from any Covered Cause of Loss.

This coverage does not apply to:

- (1) Jewelry, furs or articles consisting principally of fur;
- (2) Property located in or on the building described in the Declarations or in the open (or in a vehicle) within 1,000 feet of the described premises;
- (3) Property at or on the premises of your salespersons and/or agents; or
- (4) Merchandise intended for sale, which may be sold and shipped by you to others, or which has been purchased by you from others.

Our payment for any one loss shall not exceed the Limit of Insurance shown in the Declarations for SALESPERSON'S SAMPLES. The Additional Condition, Coinsurance, does not apply to this Additional Coverage.

2. Under **B. EXCLUSIONS** of the CAUSES OF LOSS - SPECIAL FORM, the following exclusions are added to apply only to this Additional Coverage:
- a. Misappropriation, secretion, conversion, infidelity or any dishonest act by you or other or the employees or agents of either to whom the covered property may be entrusted. This exclusion does not apply to carriers for hire.
 - b. Breakage, marring, scratching, tearing or denting, unless caused by: fire or lightning; aircraft; theft and/or attempted theft; earthquake; flood; explosion; malicious damage or collision, derailment or overturn of a transporting conveyance.
 - c. Mysterious or unexplained disappearance or from shortage disclosed by taking inventory.
 - d. Theft from any vehicle, unless at the time of the theft, there is actually in or upon such vehicle your salesperson, representative or a permanent employee, or a person whose sole duty it is to attend the vehicle. This exclusion shall not apply to property in the custody of a common carrier.
3. In addition to the conditions of this policy, the following conditions apply only this Additional Coverage:
- a. **PAIR OR SET**
In case of loss of or damage to any part of a pair or set, we may:
 - (1) Repair or replace any part of the pair or set to restore it to its value before the loss; or
 - (2) Pay the difference between the actual cash value of the property before and after the loss.
 - b. **PARTS**
In case of loss or damage to any part of property covered, consisting of several parts when complete, we shall pay only for the value of the part lost or damaged.

All other policy terms and conditions apply.

54339 (3-13)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BAILEES COVERAGE

This endorsement modifies insurance under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM

1. Under **A. COVERAGE, 4. Additional Coverages**, the following Additional Coverage is added:

Bailees Coverage

- a. We will pay for direct physical loss or damage to the property of others that:

- (1) Is in your possession or in the possession of any of your employees; or
- (2) Is being transported by you, any of your employees, a public carrier or mail service.

- b. We will also cover your actual incurred cost for labor and materials.

- c. We do not cover the following properties:

- (1) Property held for storage or for which a storage charge is made. If you do not have instructions from the owner of the goods to store goods held by you, such goods are not considered stored.
- (2) Property while in the possession of any person, company or corporation other than you, your employees, a public carrier or mail service.
- (3) Any land motor vehicle.
- (4) Watercraft.
- (5) Aircraft including objects falling from aircraft.
- (6) Animals, fish, fowl, reptiles or amphibians.
- (7) Accounts, bills, currency, deeds, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities.
- (8) Contraband or property in the course of illegal transportation or trade.

- d. In addition to other policy exclusions, we will not pay for loss or damage caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss:

- (1) Misappropriation, secretion, conversion, infidelity or any dishonest act by you or others or the employees or agents of either

to whom the covered property may be entrusted. This exclusion does not apply to carriers for hire.

- (2) Delay.
 - (3) Vandalism or malicious mischief.
 - (4) Burglary of property left in your delivery vehicles overnight unless locked and in your building which you occupy.
- e. We will pay no more than the smallest of either:
- (1) The cost to replace damaged property with new property of similar quality and features reduced by the amount of decrease in value because of age, wear, obsolescence or market value applicable to the damaged property immediately prior to the loss; or
 - (2) The Limit of Insurance shown in the Declarations for **BAILEES COVERAGE**.

This is an additional amount of insurance.

Our payment for loss of or damage to property of others will only be for the account of the owner of the property.

- f. No deductible applies to this Additional Coverage.

2. The Additional Condition, Coinsurance does not apply to this Additional Coverage.

All other policy terms and conditions apply.

54402 (3-12)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

GEORGIA AMENDATORY

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

COMMERCIAL PROPERTY CONDITIONS is amended as follows:

1. **A. CONCEALMENT, MISREPRESENTATION OR FRAUD** is deleted and replaced by the following:

A. CONCEALMENT, MISREPRESENTATION OR FRAUD

Any misrepresentations, omissions, concealment of facts, and incorrect statements made by or on behalf of any insured shall not prevent a recovery under this policy unless:

1. Fraudulent;
2. Material either to the acceptance of the risk or to the hazard assumed by us; or
3. We in good faith would either not have issued the policy or would not have issued this policy in as large an amount or at the premium rate as applied for or would not have provided coverage with respect to the hazard resulting in the loss if the true facts had been known to us as required by the application for this policy.

2. **G. OTHER INSURANCE** is deleted and replaced by the following:

G. OTHER INSURANCE

The following conditions supercede any **OTHER INSURANCE** condition shown in a Commercial Property Coverage Part.

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

All other policy terms and conditions apply.

54189 (12-10)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

REFRIGERATED PRODUCTS

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
BUSINESS INCOME (AND EXTRA EXPENSE) ACTUAL LOSS SUSTAINED COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
CAUSES OF LOSS - SPECIAL FORM

1. Under the BUILDING AND PERSONAL PROPERTY COVERAGE FORM, CONDOMINIUM ASSOCIATION COVERAGE FORM, and the CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM, **A. COVERAGE, 4. Additional Coverages**, the following Additional Coverage is added:

Refrigerated Products

Subject to **3. Limits of Insurance** below, we shall pay for loss of or damage to "perishable stock" caused directly by any of the following:

- (1) Mechanical or electrical breakdown of the refrigeration system; or
- (2) The interruption of electrical services to the refrigeration system caused by direct physical damage to the electrical generating or transmission equipment of your "local utility service" caused by or resulting from any Covered Cause of Loss.

You must exercise diligence in inspecting and maintaining refrigeration equipment. If interruption of electrical service or mechanical or electrical breakdown is known, you must use all reasonable means to protect the covered property from further damage.

2. Under the BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM, and the BUSINESS INCOME (AND EXTRA EXPENSE) ACTUAL LOSS SUSTAINED COVERAGE FORM, **A. COVERAGE, 5. Additional Coverages**, the following Additional Coverage is added:

Refrigerated Products

Subject to **3. Limits of Insurance** below, we shall pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur because of loss or damage to "perishable stock" caused directly by any of the following:

- (1) Mechanical or electrical breakdown of the refrigeration system; or
- (2) The interruption of electrical services to the refrigeration system caused by direct physical damage to the electrical generating or transmission equipment of your "local utility service" caused by or resulting from any Covered Cause of Loss.

You must exercise diligence in inspecting and maintaining refrigeration equipment. If interruption of electrical service or mechanical or electrical breakdown is known, you must use all reasonable means to protect the covered property from further damage.

3. Limits of Insurance

Under:

- a. BUILDING AND PERSONAL PROPERTY COVERAGE FORM, CONDOMINIUM ASSOCIATION COVERAGE FORM, and CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM, **C. LIMITS OF INSURANCE**; and
- b. Under BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM, and the BUSINESS INCOME (AND EXTRA EXPENSE) ACTUAL LOSS SUSTAINED COVERAGE FORM, **B. LIMITS OF INSURANCE** the following is added:

Refrigerated Products

The most we shall pay for the sum of 1. and 2. above in any one loss, is the Limit of Insurance

shown in the Declarations for REFRIGERATED PRODUCTS.

4. Under the CAUSE OF LOSS - SPECIAL FORM, B. EXCLUSIONS:

- a.** Exclusion **1.e. Utility Services** is deleted and replaced by the following exclusion for this Additional Coverage only:
 - e. Utility Services**
We shall not pay for loss or damage caused by or resulting from the failure to supply "power supply services" from any regional or national grid.
- b.** Exclusion **2.d.(6)** is deleted and replaced by the following exclusion for this Additional Coverage only:
 - (6)** Mechanical breakdown, including rupture or bursting caused by centrifugal force. However, this does not apply to any resulting loss or damage caused by elevator collision or mechanical breakdown of refrigeration systems.

5. Definitions

The following definitions apply only to this Additional Coverage:

- a.** "Local utility service" means your billing entity, repair entity or service entity directly providing "power supply services" to the premises described in the Declarations.
- b.** "Perishable stock" means merchandise held in storage or for sale that is refrigerated for preservation and is susceptible to loss or damage if the refrigeration fails.
- c.** "Power supply services" means the following types of property supplying electricity to the described premises that are not located on a described premises and not rented, leased or owned by an insured:
 - (1)** Utility generating plants;
 - (2)** Switching stations;
 - (3)** Substations;
 - (4)** Transformers; and
 - (5)** Transmission lines.

All other policy terms and conditions apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

VALUABLE PAPERS AND RECORDS (OTHER THAN "ELECTRONIC DATA")

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM

With respect to coverage provided under this endorsement only, **A. COVERAGE**, is amended as follows:

1. Under **2. Property Not Covered**, **o.** is deleted and replaced by the following:
 - o.** "Valuable papers and records" except as provided under the Additional Coverage - Valuable Papers and Records (Other Than "Electronic Data").
2. Under **4. Additional Coverages**, the following Additional Coverage is added:
Valuable Papers and Records (Other Than "Electronic Data")
We cover "valuable papers and records" that:
 - a.** You own; or
 - b.** Are owned by others and are in your care, custody or control.

If duplicates of "valuable papers and records" do not exist, we will pay the cost to research, and replace or restore the lost information.

This Additional Coverage does not apply to:

- a.** "Valuable papers and records" which exist as "electronic data";
- b.** Property held as samples or for delivery after sale;
- c.** Property in storage away from the premises shown in the Declarations; or
- d.** Errors or omissions in processing or copying "valuable papers and records", unless fire or explosion ensues and then only for direct loss caused by such fire or explosion.

The most we will pay under this Additional Coverage in any one occurrence are the Limits of Insurance shown in the Declarations for:

- a.** VALUABLE PAPERS AND RECORDS ON PREMISES; and

- b.** VALUABLE PAPERS AND RECORDS OFF PREMISES.

The Coinsurance Condition does not apply to this Additional Coverage.

Under **E. LOSS CONDITIONS**, **7. Valuation** does not apply to this endorsement. The following applies:

Loss or damage to "valuable papers and records" will be valued at the cost of restoration or replacement of the lost or damaged information. To the extent that the contents of the "valuable papers and records" are not restored, the "valuable papers and records" will be valued at the cost of replacement with blank materials of substantially identical type.

The following additional definitions apply only to this endorsement.

- a.** "Valuable Papers and Records" means inscribed, printed or written:
 - (1)** Documents;
 - (2)** Manuscripts; and
 - (3)** Records including abstracts, books, deeds, drawings, films, maps or mortgages. However, "valuable papers and records" does not mean "money" or "securities".
- b.** "Money" means:
 - (1)** Currency, coins and bank notes in current use and having a face value; and
 - (2)** Travelers checks, register checks and money orders held for sale to the public.
- c.** "Securities" means all negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:

- (1) Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
- (2) Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you but does not include "money".

- 3. Under **5. Coverage Extensions, c. Valuable Papers and Records (Other Than "Electronic Data")** is deleted.

All other policy terms and conditions apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ELECTRONIC DATA PROCESSING EQUIPMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
CAUSES OF LOSS - SPECIAL FORM

Under **A. COVERAGE, 4. Additional Coverages**, the following Additional Coverage is added:

Electronic Data Processing Equipment

1. Covered Property

We will pay for:

- a. Direct physical loss of or damage to electronic equipment, component parts of such equipment, "media" and air conditioning equipment necessary for the operation of the electronic equipment:
 - (1) Which you own or which is in your care, custody or control; and
 - (2) While located at the premises described in the Declarations; and
 - (3) Caused by or resulting from any Covered Cause of Loss.

We do not cover "laptop computers".

- b. Your costs to research, replace or restore "electronic data" contained on damaged "media" because such "electronic data" has been destroyed or corrupted.

2. Exclusions

Under **B. EXCLUSIONS** of the CAUSES OF LOSS - SPECIAL FORM, the following exclusions are added to apply only to this Additional Coverage:

- a. "Electrical disturbance" unless caused by lightning.
- b. Loss or damage caused by:
 - (1) Data processing "media" failure; or
 - (2) Breakdown or malfunction of the data processing equipment and component parts while the "media" is being run through the system. We will cover loss, damage or expense caused directly by ensuing fire or explosion.
- c. Actual work upon, installation or testing of Covered Property. We will cover loss, caused by ensuing fire or explosion.

- d. "Mechanical breakdown". We will cover loss, damage or expense caused directly by lightning or by ensuing fire or explosion.
- e. Faulty construction or error in design of the Covered Property. We will cover loss, damage or expense caused directly by ensuing fire or explosion.

- f. Delay or loss of market.

3. Limit of Insurance

- a. Our payment for electronic equipment, component parts of such equipment and air conditioning equipment necessary for the operation of such electronic equipment shall not exceed the Limit of Insurance shown in the Declarations for ELECTRONIC DATA PROCESSING EQUIPMENT.
- b. Our payment for "media" shall not exceed the smallest of the following:
 - (1) The actual cost to repair, replace or reproduce the "media", including your costs to research, replace or restore information;
 - (2) If the "media" is not repaired, replaced or reproduced, the value of blank "media"; or
 - (3) The Limit of Insurance shown in the Declarations for ELECTRONIC DATA PROCESSING EQUIPMENT.

The Limit of Insurance shown in the Declarations for ELECTRONIC DATA PROCESSING EQUIPMENT is the total limit of our liability for loss or damage to all Covered Property in any one occurrence at one location. With respect to Covered Property you do not own, we will pay no more than the amount for which you are legally liable.

The Additional Condition, Coinsurance, does not apply to this Additional Coverage.

4. Coverage Extensions

The following extensions apply only to this endorsement:

a. Property At Newly Acquired Or Temporary Locations:

You may extend the coverage provided under **1. Covered Property**, above to apply to property:

- (1) At any location you acquire; or
- (2) At any temporary location, other than fairs or exhibitions, you acquire within the territorial limits and intended for similar occupancy or warehousing purposes for the business described in the Declarations.

The most we will pay for loss or damage under this extension is the Limit of Insurance shown in the Declarations for **ELECTRONIC DATA PROCESSING EQUIPMENT**.

This coverage extension will end when any of the following first occurs:

- (1) 60 days from your acquisition or use of such property;
- (2) On the date values at such locations are reported to us; or
- (3) On the expiration date of the policy.

b. Newly Acquired Property:

You may extend the coverage provided under **1. Covered Property**, above to apply to property which you newly acquire, of the same type as the property covered at the described premises.

The most we will pay for loss or damage under this extension is the Limit of Insurance shown in the Declarations for **ELECTRONIC DATA PROCESSING EQUIPMENT**.

This coverage extension will end when any of the following first occurs:

- (1) 60 days from your acquisition or use of such property;
- (2) On the date values of such property are reported to us; or
- (3) On the expiration date of the policy.

Each of these extensions is additional insurance.

5. The following Additional Coverages apply only to this endorsement:

a. Transportation

You may apply up to \$10,000, for any one occurrence for loss of or damage to property caused by:

- (1) Fire; lightning; explosion; smoke; riot and civil commotion; and vandalism and malicious mischief;

- (2) The overturning, upset, or collision of the vehicle transporting the insured property, with another vehicle or object other than the road bed; or
- (3) Theft of an entire shipping bale, case or package from a vehicle:

- (a) While such property is in a fully enclosed and securely locked body or compartment; and
- (b) Theft results from forcible entry, evidenced by visible marks

which occurs during transportation by motor vehicles you own, lease or operate.

We do not cover under this extension property held as samples, held for rental or sale or that you rent to others while in the care, custody or control of salespersons.

b. Business Income and Extra Expense

(1) Business Income

- (a) Subject to the Limit of Insurance provisions of this Additional Coverage, we will pay for the actual loss of Business Income you sustain as a direct result of the necessary "suspension" of your "operations" during the "period of restoration" caused by accidental direct physical loss of or damage to:

- 1) The electronic equipment or "media" covered by this Additional Coverage;
- 2) The building housing the electronic equipment or "media" that prevents access to and use of the electronic equipment or "media"; or
- 3) The air conditioning or electrical systems that are required to operate the electronic equipment, provided such damage or destruction is inside the building or outside within 1,000 feet of the building

caused by the perils insured against and subject to **2. Exclusions**.

- (b) We will also pay expenses you incur to reduce the covered loss. We will not pay for expenses:

- 1) You incur to extinguish a fire; or
- 2) That exceed the amount by which the covered loss is reduced.

- (c) Business Income means the:

- 1) Net income (Net Profit or Loss before income taxes) that would

- have been earned or incurred;
and
- 2) Continuing normal operating expenses incurred, including payroll.

(2) Extra Expense

- (a) Subject to the Limit of Insurance provisions of this Additional Coverage, we will pay necessary Extra Expense, other than loss of Business Income, you incur to continue "normal" operations of your business following accidental direct physical loss of or damage to:

- 1) The electronic equipment or "media" covered by this Additional Coverage;
- 2) The building housing the electronic equipment or "media" that prevents access to and use of the equipment or "media"; or
- 3) The air conditioning or electrical systems that are required to operate the electronic equipment, provided such damage or destruction is inside the building or outside within 1,000 feet of the building

caused by the perils insured against and subject to **2. Exclusions**.

You must resume normal operation of your business as soon as practical.

- (b) We will also cover the cost to repair, replace or restore:

- 1) Books of account, abstracts, drawings;
- 2) Card index systems; or
- 3) Other records or data such as film, tape, disks, drum, cell or other magnetic storage or recording "media" for electronic data processing

that have been damaged or destroyed by perils we insure against, if such cost:

- 1) Exceeds the normal cost for such repair, replacement or restoration; and
- 2) Was incurred to reduce loss under this endorsement.

- (c) Extra Expense means expense incurred:

- 1) To avoid or minimize the "suspension" of business and continue "operations":

- a) At the described premises; or
- b) At replacement premises or at temporary locations, including:
 - i. Relocation expenses; and
 - ii. Costs to equip and operate the replacement or temporary locations.

- 2) To minimize the suspension of business if you cannot continue "operations".

- 3) a) To repair or replace any Covered Property; or
- b) To research, replace or restore the lost information on damaged valuable papers and records

to the extent it reduces the amount of loss that otherwise would have been payable under this Additional Coverage.

(3) Coverage Extension - Civil Authority

In this Coverage Extension - Civil Authority, the described premises are premises to which this endorsement applies, as shown in the Declarations. When a Covered Cause of Loss causes damage to property other than property at the described premises, you may extend your Business Income and Extra Expense Coverages to apply to the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:

- (a) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the described premises are within that area but are not more than one mile from the damaged property; and
- (b) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority Coverage for Business Income and Extra Expense will begin

immediately following the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to four consecutive weeks from the date on which coverage began.

(4) Exclusions

The following exclusions apply to Business Income and Extra Expense provided by this Additional Coverage only, in addition to those contained in 2. **Exclusions** above.

(a) We will not be liable for any increase in loss of Business Income or Extra Expense caused by any of the following, whether or not any other cause or happening contributes concurrently or in any sequence to the loss or damage:

- 1) Enforcement of any ordinance or law regulating construction, repair or demolition of buildings or structures;
- 2) Interference at the described premises by strikers or other persons with:
 - a) Rebuilding, repairing or replacing the property; or
 - b) Resumption or continuation of business; or
- 3) The suspension, lapse, or cancellation of any lease, license, contract or order beyond the "period of restoration".

(b) We will not cover loss or damage caused directly or indirectly by any of the following, whether or not any other cause or happening contributes concurrently or in any sequence to the loss or damage:

- 1) Theft of any property, which is not an integral part of a building or structure at the time of loss. We will cover direct loss that ensues from a peril not excluded in this policy. We will cover direct loss by pillage and looting which occurs during and at the immediate place of riot or civil commotion.
- 2) Any other consequential or remote loss.

(5) Limit of Insurance

(a) Business Income

Subject to **(c)** below, we will pay only for loss of your Business

Income that occurs during the "period of restoration", but not exceeding 12 consecutive months after the date of accidental direct physical loss of or damage to Covered Property, resulting from a Covered Cause of Loss.

(b) Extra Expense

Subject to **(c)** below, we will pay for necessary Extra Expense during the "period of restoration" starting with the date of damage or destruction. Payments under this coverage shall not be limited by the expiration of the policy.

(c) Our total payment for both Business Income and Extra Expense for any one occurrence shall not exceed \$100,000.

(6) Loss Determination

(a) The amount of Business Income loss will be determined based on:

- 1) The Net Income of the business before the direct physical loss or damage occurred;
- 2) The likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
- 3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and
- 4) Other relevant sources of information, including:
 - a) Your financial records and accounting procedures;
 - b) Bills, invoices and other vouchers; and
 - c) Deeds, liens or contracts.

(b) The amount of Extra Expense will be determined based on:

- 1) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct phys-

ical loss or damage had occurred. We will deduct from the total of such expenses:

- a) The salvage value that remains of any property bought for temporary use during the "period of restoration" once "operations" are resumed; and
- b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and

- 2) All necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

(c) Resumption Of Operations

We will reduce the amount of your:

- 1) Business Income loss, other than Extra Expense, to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere.
- 2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

- (d) If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

(7) Loss Payment - Business Income and Extra Expense

We will pay for covered loss within 30 days after we receive the sworn proof of loss, if:

- (a) You have complied with all of the terms of this endorsement; and
- (b) 1) We have reached agreement with you on the amount of loss; or
- 2) An appraisal award has been made.

6. Definitions

The following definitions apply only to this Additional Coverage:

- a. "Electrical Disturbance" means electrical or magnetic damage, disturbance or erasure of electronic recordings.
- b. "Laptop Computer" means portable data collectors, notebook (laptop) computers, subnote book computers, palmtop computers, handheld computers and portable or any similar computer. Laptop computer does not mean cellular phone, wireless phone or pager.
- c. "Mechanical Breakdown" means component failure or mechanical malfunction, breakdown or failure.
- d. "Media" means materials on which information is recorded such as film, magnetic tape, paper tape, disks, drums, and cards. Media includes computer software.
- e. "Normal" means the condition that would have existed had no loss occurred.
- f. "Operations" means your business activities occurring at the described premises.
- g. "Period of Restoration" means the period of time that:
 - (1) Begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; and
 - (2) Ends on the date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality.

"Period of Restoration" does not include any increased period required due to the enforcement of any law that:

 - (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
 - (2) Regulates the prevention, control, repair, clean-up or restoration of environmental damage.

The expiration date of this policy will not shorten or cause the "period of restoration" to terminate.
 - h. "Suspension" means:
 - (1) The slowdown or cessation of your business activities; or
 - (2) That a part or all of the described premises is rendered untenable, if coverage for Business Income applies.

All other policy terms and conditions apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ACCOUNTS RECEIVABLE

This endorsement modifies insurance under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
CAUSES OF LOSS - SPECIAL FORM

1. Under **A. COVERAGE, 4. Additional Coverages**, the following Additional Coverage is added:
Accounts Receivable

We will pay:

- a. All amounts your customers owe you that you cannot collect;
- b. Interest charges on loans you secure to offset impaired receipts until we pay these amounts;
- c. Collection costs in excess of normal; and
- d. Other expenses you reasonably incur to re-establish your records which result from direct physical loss of or damage to your records of accounts receivable:
 - i. caused by or resulting from any Covered Causes Of Loss; and
 - ii. which occurs on the premises described in the Declarations.

Our payment for any one loss shall not exceed the Limit of Insurance shown in the Declarations for ACCOUNTS RECEIVABLE.

2. Under **B. EXCLUSIONS** of the CAUSES OF LOSS - SPECIAL FORM, the following exclusions are added to apply only to this Additional Coverage.
- a. Bookkeeping, accounting or billing errors or omissions.
 - b. Falsification, alteration, concealment or destruction of records done to conceal the wrongful giving, taking or withholding of money, securities or other property. This exclusion applies only to the extent of the wrongful giving, taking or withholding.
 - c. Electrical or magnetic injury, disturbance or erasure of electronic recordings. But we do cover direct loss caused by lightning.
 - d. We will not pay for any loss that relies solely upon an audit of records on an inventory computation to prove its factual existence.
3. In addition to the conditions of this policy, the following conditions apply only to this Additional Coverage:
- a. **Protection of Records of Accounts Receivable**
For coverage to apply under this Additional Coverage, you must keep all records of accounts receivable in a locked safe or vault when:
 - (1) You are not open for business; or
 - (2) You are not using such records; or
 - (3) Such records are not removed from premises as permitted under the Additional Coverage, **Preservation of Property**.
 - b. The following is added to the Loss Payment Condition:
 - (1) If you cannot accurately establish the accounts receivable outstanding as of the time of loss or damage, the following method will be used:
 - (a) Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss or damage occurs; and

- (b) Adjust that total for any normal fluctuations in the amount of accounts receivable for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.
- (2) The following will be deducted from the total amount of accounts receivable, however that amount is established:
 - (a) The amount of the accounts for which there is no loss or damage;
 - (b) The amount of the accounts that you are able to re-establish or collect;
 - (c) An amount to allow for probable bad debts that you are normally unable to collect; and
 - (d) All unearned interest and service charges.

All other policy terms and conditions apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MONEY AND SECURITIES

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM

A. A. COVERAGE is amended as follows:

1. Under **2. Property Not Covered**, **a.** is deleted and replaced by the following for this endorsement only:
 - a.** Accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities.
However, "money" and "securities" are covered as provided by this endorsement.
2. Under **4. Additional Coverages**, the following Additional Coverage is added:
Money And Securities
 - a. Inside The Premises**
 - (1) We will pay for loss of "money" and "securities" inside the "premises" or a "banking premises" resulting directly from:
 - (a) "Theft"; or
 - (b) Disappearance or destruction.
 - (2) We will pay for loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "theft" of "money" and "securities" if you are the owner of the "premises" or are liable for damage to it.
 - (3) We will pay for loss of, and loss from damage to, a locked safe, vault, cash register, cash box or cash drawer located in the "premises" resulting directly from an actual or attempted:
 - (a) "Theft" of; or
 - (b) Unlawful entry into those containers.
 - b. Outside The Premises**
 - (1) We will pay for loss of "money" and "securities" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company.
The loss must result from:
 - (a) "Theft"; or

- (b) Disappearance or destruction.
- (2) Any covered "money" and "securities" loss from an armored motor vehicle company, we will pay only for the amount of loss you cannot recover:
 - (a) Under your contract with the armored motor vehicle company; and
 - (b) From any insurance or indemnity carried by, or for the benefit of customers of, the armored motor vehicle company.

B. EXCLUSIONS

1. The Covered Causes Of Loss Form shown in the Declarations as applicable to Property, does not apply to this coverage.
2. We will not pay for loss caused by any of the following:
 - a. Accounting Or Arithmetical Errors Or Omissions:** Loss resulting from accounting or arithmetical errors or omissions.
 - b. Acts Committed By You, Your Partners Or Your Members:** Loss resulting from any dishonest or criminal act committed by you or any of your partners or members whether acting alone or in collusion with other persons.
 - c. Acts Of Employees, Managers, Directors, Trustees Or Representatives:** Loss resulting from any dishonest or criminal act committed by any of your "employees", managers, directors, trustees or authorized representatives:
 - (1) Acting alone or in collusion with other persons; or
 - (2) While performing services for you or otherwise.
 - d. Exchanges Or Purchases:** Loss resulting from the giving or surrendering of property in any exchange or purchase.
 - e. Fire:** Loss from damage to the "premises" resulting from fire, however caused.

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- f. **Governmental Action:** Loss resulting from seizure or destruction of property by order of governmental authority.
 - g. **Indirect Loss:** Loss that is an indirect result of any act or "occurrence" covered by this insurance including, but not limited to, loss resulting from:
 - (1) Your inability to realize income that you would have realized had there been no loss of, or loss from damage to, "money" or "securities".
 - (2) Payment of damages of any type for which you are legally liable. However, we will pay compensatory damages arising directly from a loss covered under this insurance.
 - (3) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.
 - h. **Legal Expenses:** Expenses related to any legal action.
 - i. **Nuclear:** Loss resulting from nuclear reaction, nuclear radiation or radioactive contamination, or any related act or incident.
 - j. **War And Military Action:**
 Loss or damage resulting from:
 - (1) War, including undeclared or civil war;
 - (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
 - k. **Money Operated Devices:** Loss of property contained in any money operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.
 - l. **Transfer Or Surrender Of Property:**
 - (1) Loss of property after it has been transferred or surrendered to a person or place outside the "premises" or "banking premises":
 - (a) On the basis of unauthorized instructions; or
 - (b) As a result of a threat to do:
 - 1) Bodily harm to any person; or
 - 2) Damage to any property.
 - (2) However, this exclusion does not apply under A.2.b. above to loss of covered "money" and "securities" while outside the "premises" in the care and custody of a "messenger" if you:
 - (a) Had no knowledge of any threat at the time the conveyance began; or
 - (b) Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat.
 - m. **Vandalism:** Loss from damage to the "premises" or its exterior or to containers of covered "money" and "securities" by vandalism or malicious mischief.
 - n. **Voluntary Parting Of Title To Or Possession Of Property:** Loss resulting from your, or anyone acting on your express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property.
- C. LIMIT OF INSURANCE**
 The most we will pay for loss of "money" and "securities" inside the "premises", and outside the "premises" are the Limits of Insurance shown in the Declarations for MONEY AND SECURITIES.
- D. DEDUCTIBLE**
 We will not pay for loss in any one "occurrence" unless the amount of loss exceeds the Deductible Amount shown in the Declarations for MONEY AND SECURITIES. We will then pay the amount of loss in excess of the Deductible Amount up to the Limit of Insurance.
- E. GENERAL CONDITIONS**
 The following Conditions apply in addition to the Common Policy Conditions:
- 1. **Consolidation - Merger:** If through consolidation or merger with, or purchase of assets of, some other entity:
 - a. Any additional persons become "employees"; or
 - b. You acquire the use and control of any additional "premises"
 any insurance afforded for "employees" or "premises" also applies to those additional "employees" and "premises", but only if you:
 - a. Give us written notice within 30 days thereafter; and
 - b. Pay us an additional premium.
 - 2. **Discovery Period For Loss:** We will pay only for covered loss discovered no later than one year from the end of the policy period.
 - 3. **Duties In The Event Of Loss**
 - a. After you discover a loss or a situation that may result in loss of, or loss from damage to, covered "money" or "securities" you must:
 - (1) Notify us as soon as possible.

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- (2) Submit to examination under oath at our request and give us a signed statement of your answers.
 - (3) Give us a detailed, sworn proof of loss within 120 days.
 - (4) Cooperate with us in the investigation and settlement of any claim.
 - b. If you have reason to believe that any loss of or loss from damage to, covered "money" or "securities" involves a violation of law, you must notify the police.
- 4. Joint Insured**
- a. If more than one Insured is named in the Declarations, the first named Insured will act for itself and for every other Insured for all purposes of this insurance. If the first named Insured ceases to be covered, then the next named Insured will become the first named Insured.
 - b. If any Insured or partner or officer of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.
 - c. An "employee" of any Insured is considered to be an "employee" of every Insured.
 - d. If this insurance or any of its coverages are canceled or terminated as to any Insured, loss sustained by that Insured is covered only if discovered no later than one year from the date of that cancellation or termination.
 - e. We will not pay more for loss sustained by more than one Insured than the amount we should pay if all the loss had been sustained by one Insured.
- 5. Legal Action Against Us:** You may not bring any legal action against us involving loss:
- a. Unless you have complied with all the terms of this insurance;
 - b. Until 90 days after you have filed proof of loss with us; and
 - c. Unless brought within 2 years from the date you discover the loss.
- 6. Loss Covered Under More Than One Coverage Of This Insurance:** If two or more coverages of this insurance apply to the same loss, we will pay the lesser of:
- a. The actual amount of loss; or
 - b. The sum of the limits of insurance applicable to those coverages.
- 7. Loss Sustained During Prior Insurance**
- a. If you, or any predecessor in interest, sustained loss during the period of any prior insurance that you or the predecessor in interest could have recovered under that

insurance except that the time within which to discover loss had expired, we will pay for it under this insurance, provided:

- (1) This insurance became effective at the time of cancellation or termination of the prior insurance; and
 - (2) The loss would have been covered by this insurance had it been in effect when the acts or events causing the loss were committed or occurred.
- b. The insurance under this Condition is part of, not in addition to, the Limits of Insurance and is limited to the lesser of the amount recoverable under:
- (1) This insurance as of its effective date; or
 - (2) The prior insurance had it remained in effect.
- 8. Loss Covered Under This Insurance And Prior Insurance Issued By Us Or Any Affiliate:** If any loss is covered:
- a. Partly by this insurance; and
 - b. Partly by any prior canceled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest
- the most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.
- 9. Non-Cumulation Of Limit Of Insurance:** Regardless of the number of years this insurance remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.
- 10. Other Insurance:** This insurance does not apply to loss recoverable or recovered under other insurance or indemnity. However, if the limit of the other insurance or indemnity is insufficient to cover the entire amount of the loss, this insurance will apply to that part of the loss, other than that falling within any deductible amount, not recoverable or recovered under the other insurance or indemnity, but not or more than the Limit of Insurance.
- 11. Ownership Of Property; Interests Covered:** The property covered under this insurance is limited to property:
- a. That you own or hold; or
 - b. For which you are legally liable.
- However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization.
- 12. Policy Period**
- a. The Policy Period is shown in the Declarations.
 - b. Subject to the Loss Sustained During Prior Insurance condition, we will pay only for loss

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that you sustain through acts committed or events occurring during the Policy Period.

- 13. Records:** You must keep records of all Covered Property so we can verify the amount of any loss.

14. Recoveries

- a. Any recoveries, less the cost of obtaining them, made after settlement of loss covered by this insurance will be distributed as follows:
- (1) To you, until you are reimbursed for any loss that you sustain that exceeds the Limit of Insurance and the Deductible Amount, if any;
 - (2) Then to us, until we are reimbursed for the settlement made; and
 - (3) Then to you, until you are reimbursed for that part of the loss equal to the Deductible Amount, if any.
- b. Recoveries do not include any recovery:
- (1) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
 - (2) Of original "securities" after duplicates of them have been issued.

- 15. Territory:** This insurance covers only acts committed or events occurring within the United States of America (including its territories and possessions), Puerto Rico and Canada.

- 16. Transfer Of Your Rights Of Recovery Against Others To Us:** You must transfer to us all your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.

17. Valuation - Settlement

- a. Subject to the Limit of Insurance provision we will pay for:
- (1) Loss of "money" but only up to and including its face value. We may, at our option, pay for loss of "money" issued by any country other than the United States of America:
 - (a) At face value in the "money" issued by that country; or
 - (b) In the United States of America dollar equivalent determined by the rate of exchange on the day the loss was discovered.
 - (2) Loss of "securities" but only up to and including their value at the close of business on the day the loss was discovered. We may, at our option:
 - (a) Pay the value of such "securities" or

replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities"; or

- (b) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:

- 1) Value of the "securities" at the close of the business on the day the loss was discovered; or
- 2) Limit of Insurance.

- (3) Loss of, or loss from damage to "property other than money and securities" or loss from damage to the "premises" for not more than the:

- (a) Actual cash value of the property on the day the loss was discovered;
- (b) Cost of repairing the property or "premises"; or
- (c) Cost of replacing the property with property of like kind and quality.

We may, at our option, pay the actual cash value of the property or repair or replace it.

If we cannot agree with you upon the actual cash value or the cost of repair or replacement, the value or cost will be determined by arbitration.

- b. We may, at our option, pay for loss of, or loss from damage to, property other than "money":

- (1) In the "money" of the country in which the loss occurred; or
- (2) In the United States of America dollar equivalent of the "money" of the country in which the loss occurred determined by the rate of exchange on the day the loss was discovered.

- c. Any property that we pay for or replace becomes our property.

F. DEFINITIONS

1. "Banking Premises" means the interior of that portion of any building occupied by a banking institution or similar safe depository.
2. "Employee" means:
 - a. Any natural person:
 - (1) While in your service (and for 30 days after termination of service);
 - (2) Whom you compensate directly by salary, wages or commissions; and

- (3) Whom you have the right to direct and control while performing services for you; or
- b. Any natural person employed by an employment contractor while that person is subject to your direction and control and performing services for you excluding however, any such person while having care and custody of property outside the "premises". However, "employee" does not mean any:
 - (1) Agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
 - (2) Director or trustee except while performing acts coming within the scope of the usual duties of an employee.
- 3. "Messenger" means you, any of your partners or any "employee" while having care and custody of the property outside the "premises".
- 4. "Money" means:
 - a. Currency, coins and bank notes in current use and having a face value; and
 - b. Travelers checks, register checks and money orders held for sale to the public.
- 5. "Occurrence" means an:
 - a. Act or series of related acts involving one or more persons; or
 - b. Act or event, or a series of related acts or events not involving any person.
- 6. "Premises" means the interior of that portion of any building you occupy in conducting your business.
- 7. "Property Other Than Money And Securities" means any tangible property other than "money" and "securities" that has intrinsic value but does not include any property listed in any Coverage Form as Property Not Covered.
- 8. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:
 - a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you but does not include "money".
- 9. "Theft" means any act of stealing.
- 10. "Watchperson" means any person you retain specifically to have care and custody of property inside the "premises" and who has no other duties.

All other policy terms and conditions apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FORGERY OR ALTERATION

This endorsement adds Crime Coverage to the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM

A. COVERAGE

We will pay for loss involving Covered Instruments resulting directly from the Covered Causes of Loss.

1. **Covered Instruments:** Checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "money" that are:
 - a. Made or drawn by or drawn upon you;
 - b. Made or drawn by one acting as your agent; orthat are purported to have been so made or drawn.

2. **Covered Cause of Loss:** Forgery or alteration of, on or in any Covered Instrument.

3. **Coverage Extension**

Legal Expenses: If you are sued for refusing to pay any Covered Instrument on the basis that it has been forged or altered, and you have our written consent to defend the suit, we will pay for any reasonably legal expenses that you incur and pay in that defense. The amount we will pay under this extension is in addition to the Limit of Insurance applicable to this insurance.

B. EXCLUSIONS

We will not pay for loss as specified below:

1. **Acts Committed by You or Your Partners:** Loss resulting from any dishonest or criminal act committed by you or any of your partners whether acting alone or in collusion with other persons.
2. **Acts of Employees, Directors, or Trustees:** We will not pay for loss resulting from any dishonest or criminal act committed by any of your "employees", directors, or trustees:
 - a. Whether acting alone or in collusion with other persons; or
 - b. Whether while performing services for you or otherwise.
3. **Governmental Action:** Loss resulting from seizure or destruction or property by order of governmental authority.

4. **Indirect Loss:** Loss that is an indirect result of any act or "occurrence" covered by this insurance including, but not limited to, loss resulting from:
 - a. Your inability to realize income that you would have realized had there been no loss of, or loss from damage to, Covered Instruments.
 - b. Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this insurance.
 - c. Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.
5. **Legal Expenses:** Expenses related to any legal action.
6. **Nuclear:** Loss resulting from nuclear reaction, nuclear radiation or radioactive contamination, or any related act or incident.
7. **War and Similar Actions:** Loss resulting from war, whether or not declared, warlike action, insurrection, rebellion or revolution, or any related act or incident.

C. LIMIT OF INSURANCE

The most we will pay for loss in any one "occurrence" is the Limit of Insurance shown in the Declarations for FORGERY AND ALTERATION.

D. DEDUCTIBLE

We will not pay for loss in any one "occurrence" unless the amount of loss exceeds the Deductible Amount shown in the Declarations for FORGERY AND ALTERATION. We will then pay the amount of loss in excess of the Deductible Amount up to the Limit of Insurance. This provision does not apply to legal expenses paid under the Coverage Extension.

E. GENERAL CONDITIONS

1. **Consolidation - Merger:** If through consolidation or merger with, or purchase of assets of, some other entity:
 - a. Any additional persons become "employees"; or
 - b. You acquire the use and control of any additional "premises";any insurance afforded for "employees" or "premises" also applies to those additional "employees" and "premises", but only if you:
 - a. Give us written notice within 30 days thereafter; and
 - b. Pay us an additional premium.
2. **Discovery Period for Loss:** We will pay only for covered loss discovered no later than one year from the end of the policy period.
3. **Duties in the Event of Loss:** After you discover a loss or a situation that may result in loss of, or loss from damage to, Covered Instruments you must:
 - a. Notify us as soon as possible.

- b. Submit to examination under oath at our request and give us a signed statement of your answers.
- c. Give us a detailed, sworn proof of loss within 120 days.
- d. Cooperate with us in the investigation and settlement of any claim.

4. Joint Insured

- a. If more than one Insured is named in the Declarations, the first named Insured will act for itself and for every other Insured for all purposes of this insurance. If the first named Insured ceases to be covered, then the next named Insured will become the first named Insured.
- b. If any Insured or partner or officer of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.
- c. An "employee" of any Insured is considered to be an "employee" of every Insured.
- d. If this insurance or any of its coverages is canceled or terminated as to any Insured, loss sustained by that Insured is covered only if discovered no later than one year from the date of that cancellation or termination.
- e. We will not pay more for loss sustained by more than one Insured than the amount we should pay if all the loss had been sustained by one Insured.

5. Legal Action Against Us: You may not bring any legal action against us involving loss:

- a. Unless you have complied with all the terms of this insurance;
- b. Until 90 days after you have filed proof of loss with us; and
- c. Unless brought within 2 years from the date you discover the loss.

6. Loss Covered Under More Than One Coverage of This Insurance: If two or more coverages of this insurance apply to the same loss, we will pay the lesser of:

- a. The actual amount of loss; or
- b. The sum of the limits of insurance applicable to those coverages.

7. Loss Sustained During Prior Insurance

- a. If you, or any predecessor in interest, sustained loss during the period of any prior insurance that you or the predecessor in interest could have recovered under that insurance except that the time within which to discover loss had expired, we will pay for it under this insurance, provided:
 - (1) This insurance became effective at the time of cancellation or termination of the prior insurance; and
 - (2) The loss would have been covered by this insurance had it been in effect when the acts or events causing the loss were committed or occurred.
- b. The insurance under this Condition is part of, not in addition to, the Limits of Insurance and is limited to the lesser of the amount recoverable under:
 - (1) This insurance as of its effective date; or

(2) The prior insurance had it remained in effect.

8. Loss Covered Under This Insurance and Prior Insurance Issued by Us or Any Affiliate: If any loss is covered:

- a. Partly by this insurance; and
- b. Partly by any prior canceled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest;

the most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.

9. Non-Cumulation of Limit of Insurance: Regardless of the number of years this insurance remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

10. Other Insurance: This insurance does not apply to loss recoverable or recovered under other insurance or indemnity. However, if the limit of the other insurance or indemnity is insufficient to cover the entire amount of the loss, this insurance will apply to that part of the loss, other than that falling within any deductible amount, not recoverable or recovered under the other insurance or indemnity, but not or more than the Limit of Insurance.

11. Ownership of Property; Interests Covered: The property covered under this insurance is limited to property:

- a. That you own or hold; or
- b. For which you are legally liable.

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization.

12. Policy Period

- a. The Policy Period is shown in the Declarations.
- b. Subject to the Loss Sustained During Prior Insurance condition, we will pay only for loss that you sustain through acts committed or events occurring during the Policy Period.

13. Records: You must keep records of all Covered Instruments so we can verify the amount of any loss.

14. Recoveries

- a. Any recoveries, less the cost of obtaining them, made after settlement of loss covered by this insurance will be distributed as follows:
 - (1) To you, until you are reimbursed for any loss that you sustain that exceeds the Limit of Insurance and the Deductible Amount, if any;
 - (2) Then to us, until we are reimbursed for the settlement made;
 - (3) Then to you, until you are reimbursed for that part of the loss equal to the Deductible Amount, if any.
- b. Recoveries do not include any recovery:
 - (1) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or

(2) Of original "securities" after duplicates of them have been issued.

15. Territory: This insurance covers only acts committed or events occurring within the United States of America, U.S. Virgin Islands, Puerto Rico, Canal Zone or Canada.

16. Transfer of Your Rights of Recovery Against Others to Us: You must transfer to us all your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.

17. Valuation - Settlement

a. Subject to the Limit of Insurance provision we will pay for:

(1) Loss of "money" but only up to and including its face value. We may, at our option, pay for loss of "money" issued by any country other than the United States of America;

(a) At face value in the "money" issued by that country; or

(b) In the United States of America dollar equivalent determined by the rate of exchange on the day the loss was discovered.

(2) Loss of "securities" but only up to and including their value at the close of business on the day the loss was discovered. We may, at our option:

(a) Pay the value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities";

(b) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:

i. Value of the "securities" at the close of the business on the day the loss was discovered; or

ii. Limit of Insurance.

(3) Loss of, or loss from damage to "property other than money and securities" or loss from damage to the "premises" for not more than the:

(a) Actual cash value of the property on the day the loss was discovered;

(b) Cost of repairing the property or "premises"; or

(c) Cost of replacing the property with property of like kind and quality.

We may, at our option, pay the actual cash value of the property or repair or replace it.

If we cannot agree with you upon the actual cash value or the cost of repair or replacement, the value or cost will be determined by arbitration.

b. We may, at our option, pay for loss of, or loss from damage to, property other than "money:"

(1) In the "money" of the country in which the loss occurred; or

(2) In the United States of America dollar equivalent of the "money" of the country in which the loss occurred determined by the rate of exchange on the day the loss was discovered.

c. Any property that we pay for or replace becomes our property.

18. Facsimile Signatures: We will treat mechanically reproduced facsimile signatures the same as handwritten signatures.

19. Proof of Loss: You must include with your proof of loss any instrument involved in that loss, or if that is not possible, an affidavit setting forth the amount and cause of loss.

F. DEFINITIONS

1. **"Employee"** means:

a. Any natural person:

(1) While in your service (and for 30 days after termination of service);

(2) Whom you compensate directly by salary, wages or commissions; and

(3) Whom you have the right to direct and control while performing services for you; or

b. Any natural person employed by an employment contractor while that person is subject to your direction and control and performing services for you excluding however, any such person while having care and custody of property outside the "premises".

But "employee" does not mean any:

(1) Agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or

(2) Director or trustee except while performing acts coming within the scope of the usual duties of an employee.

2. **"Money"** means:

a. Currency, coins and bank notes in current use and having a face value; and

b. Travelers checks, register checks and money orders held for sale to the public.

3. **"Occurrence"** means all loss caused by any person or in which that person is involved, whether the loss involves one or more instruments.

4. **"Property Other Than Money and Securities"** means any tangible property other than "money" and "securities" that has intrinsic value but does not include any property listed in any Coverage Form and Property Not Covered.

5. **"Securities"** means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:

a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and

b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include "money".

All other policy terms and conditions apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYEE DISHONESTY

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM

A. A. COVERAGE is amended as follows:

We will pay for loss involving Covered Property resulting directly from the Covered Cause of Loss.

1. **Covered Property** for this endorsement means "money", "securities", and "property other than money and securities".
2. **Covered Cause of Loss** means "Employee Dishonesty".
3. **Coverage Extension**
Employee Temporarily Outside Coverage Territory: We will pay for loss caused by any "employee" while temporarily outside the territory specified in **E. GENERAL CONDITIONS, 15. Territory** for a period not more than 90 days. The amount we pay under this Extension is part of, not in addition to, the Limit of Insurance shown in the Declarations for **EMPLOYEE DISHONESTY**.
4. "Money" and "securities" as defined in this endorsement are withdrawn from **2. Property Not Covered**.

B. EXCLUSIONS

1. The Covered Causes Of Loss Form shown in the Declarations as applicable to Property, does not apply to this Coverage.
2. We will not pay for loss caused by any of the following:
 - a. **Acts Committed By You, Your Partners Or Your Members:** Loss resulting from any dishonest or criminal act committed by you, any of your partners or members whether acting alone or in collusion with other persons.
 - b. **Governmental Action:** Loss resulting from seizure or destruction of property by order of governmental authority.
 - c. **Indirect Loss:** Loss that is an indirect result of any act or "occurrence" covered by this insurance including, but not limited to, loss resulting from:

- (1) Your inability to realize income that you would have realized had there been no loss of, or loss from damage to, Covered Property.
- (2) Payment of damages of any type for which you are legally liable. However, we will pay compensatory damages arising directly from a loss covered under this insurance.
- (3) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.

d. **Legal Expenses:** Expenses related to any legal action.

e. **Nuclear:** Loss resulting from nuclear reaction, nuclear radiation or radioactive contamination, or any related act or incident.

f. **War And Military Action:**

Loss or damage resulting from:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

g. **Employee Canceled Under Prior Insurance:** Loss caused by any "employee" of yours, or predecessor in interest of yours, for whom similar prior insurance has been canceled and not reinstated since the last such cancellation.

h. **Inventory Shortages:** Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

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- (1) An inventory computation; or
- (2) A profit and loss computation.

C. LIMIT OF INSURANCE

The most we will pay for loss in any one "occurrence" is the Limit of Insurance shown in the Declarations for EMPLOYEE DISHONESTY.

D. DEDUCTIBLE

1. We will not pay for loss in any one "occurrence" unless the amount of loss exceeds the Deductible Amount shown in the Declarations for EMPLOYEE DISHONESTY. We will then pay the amount of loss in excess of the Deductible Amount up to the Limit of Insurance. This provision does not apply to legal expenses paid under the Coverage Extension.
2. You must:
 - a. Give us notice as soon as possible of any loss of the type insured under this Coverage Form even though it falls entirely within the Deductible Amount.
 - b. Upon our request, give us a statement describing the loss.

E. GENERAL CONDITIONS

1. **Consolidation - Merger:** If through consolidation or merger with, or purchase of assets of, some other entity:
 - a. Any additional persons become "employees"; or
 - b. You acquire the use and control of any additional "premises"
 any insurance afforded for "employees" or "premises" also applies to those additional "employees" and "premises", but only if you:
 - a. Give us written notice within 30 days thereafter; and
 - b. Pay us an additional premium.
2. **Discovery Period For Loss:** We will pay only for covered loss discovered no later than one year from the end of the policy period.
3. **Duties In The Event Of Loss:** After you discover a loss or a situation that may result in loss of, or loss from damage to Covered Property, you must:
 - a. Notify us as soon as possible.
 - b. Submit to examination under oath at our request and give us a signed statement of your answers.
 - c. Give us a detailed, sworn proof of loss within 120 days.
 - d. Cooperate with us in the investigation and settlement of any claim.
4. **Joint Insured**
 - a. If more than one Insured is named in the Declarations, the first named Insured will act for itself and for every other Insured for all purposes of this insurance. If the first named

Insured ceases to be covered, then the next named Insured will become the first named Insured.

- b. If any Insured or partner or officer of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.
 - c. An "employee" of any Insured is considered to be an "employee" of every Insured.
 - d. If this insurance or any of its coverages are canceled or terminated as to any Insured, loss sustained by that Insured is covered only if discovered no later than one year from the date of that cancellation or termination.
 - e. We will not pay more for loss sustained by more than one Insured than the amount we would pay if all such loss had been sustained by one Insured.
5. **Legal Action Against Us:** You may not bring any legal action against us involving loss:
- a. Unless you have complied with all the terms of this insurance;
 - b. Until 90 days after you have filed proof of loss with us; and
 - c. Unless brought within 2 years from the date you discover the loss.
6. **Loss Covered Under More Than One Coverage Of This Insurance:** If two or more coverages of this insurance apply to the same loss, we will pay the lesser of:
- a. The actual amount of loss; or
 - b. The sum of the limits of insurance applicable to those coverages.
7. **Loss Sustained During Prior Insurance**
- a. If you, or any predecessor in interest, sustained loss during the period of any prior insurance that you or the predecessor in interest could have recovered under that insurance except that the time within which to discover loss had expired, we will pay for it under this insurance, provided:
 - (1) This insurance became effective at the time of cancellation or termination of the prior insurance; and
 - (2) The loss would have been covered by this insurance had it been in effect when the acts or events causing the loss were committed or occurred.
 - b. The insurance under this Condition is part of, not in addition to, the Limits of Insurance and is limited to the lesser of the amount recoverable under:
 - (1) This insurance as of its effective date; or
 - (2) The prior insurance had it remained in effect.

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8. Loss Covered Under This Insurance And Prior Insurance Issued By Us Or Any Affiliate:

If any loss is covered:

- a. Partly by this insurance; and
- b. Partly by any prior canceled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest

the most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.

9. Non-Cumulation Of Limit Of Insurance:

Regardless of the number of years this insurance remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

- 10. Other Insurance:** This insurance does not apply to loss recoverable or recovered under other insurance or indemnity. However, if the limit of the other insurance or indemnity is insufficient to cover the entire amount of the loss, this insurance will apply to that part of the loss, other than that falling within any deductible amount, not recoverable or recovered under the other insurance or indemnity, but not for more than the Limit of Insurance.

11. Ownership Of Property; Interests Covered:

The property covered under this insurance is limited to property:

- a. That you own or hold; or
- b. For which you are legally liable.

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization.

12. Policy Period

- a. The Policy Period is shown in the Declarations.
- b. Subject to the Loss Sustained During Prior Insurance condition, we will pay only for loss that you sustain through acts committed or events occurring during the Policy Period.

- 13. Records:** You must keep records of all Covered Property so we can verify the amount of any loss.

14. Recoveries

- a. Any recoveries, less the cost of obtaining them, made after settlement of loss covered by this insurance will be distributed as follows:
 - (1) To you, until you are reimbursed for any loss that you sustain that exceeds the Limit of Insurance and the Deductible Amount, if any;
 - (2) Then to us, until we are reimbursed for the settlement made; and

- (3) Then to you, until you are reimbursed for that part of the loss equal to the Deductible Amount, if any.

- b. Recoveries do not include any recovery:

- (1) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
- (2) Of original "securities" after duplicates of them have been issued.

- 15. Territory:** This insurance covers only acts committed or events occurring within the United States of America (including its territories and possessions), Puerto Rico and Canada.

- 16. Transfer Of Your Rights Of Recovery Against Others To Us:** You must transfer to us all your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.

17. Valuation - Settlement

- a. Subject to the Limit of Insurance provision we will pay for:

- (1) Loss of "money" but only up to and including its face value. We may, at our option, pay for loss of "money" issued by any country other than the United States of America:
 - (a) At face value in the "money" issued by that country; or
 - (b) In the United States of America dollar equivalent determined by the rate of exchange on the day the loss was discovered.
- (2) Loss of "securities" but only up to and including their value at the close of business on the day the loss was discovered. We may, at our option:
 - (a) Pay the value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities"; or
 - (b) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:
 - 1) Value of the "securities" at the close of the business on the day

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the loss was discovered; or

2) Limit of Insurance.

- (3) Loss of, or loss from damage to "property other than money and securities" or loss from damage to the "premises" for not more than the:

- (a) Actual cash value of the property on the day the loss was discovered;
- (b) Cost of repairing the property or "premises"; or
- (c) Cost of replacing the property with property of like kind and quality.

We may, at our option, pay the actual cash value of the property or repair or replace it.

If we cannot agree with you upon the actual cash value or the cost of repair or replacement, the value or cost will be determined by arbitration.

- b. We may, at our option, pay for loss of, or loss from damage to, property other than "money":

- (1) In the "money" of the country in which the loss occurred; or
- (2) In the United States of America dollar equivalent of the "money" of the country in which the loss occurred determined by the rate of exchange on the day the loss was discovered.

- c. Any property that we pay for or replace becomes our property.

18. Cancellation As To Any Employee: This insurance is canceled as to any "Employee":

- a. Immediately upon discovery by:
 - (1) You; or
 - (2) Any of your partners, officers or directors not in collusion with the "employee"
 of any dishonest act committed by that "employee" whether before or after becoming employed by you.
- b. On the date specified in a notice mailed to you. That date will be at least 30 days after the date of mailing. The notice will be mailed to you at your last mailing address known to us.

F. DEFINITIONS

- 1. "Employee" means:
 - a. Any natural person:
 - (1) While in your service (and for 30 days after termination of service);
 - (2) Whom you compensate directly by salary, wages or commissions; and
 - (3) Whom you have the right to direct and control while performing services for you; or

- b. Any natural person employed by an employment contractor while that person is subject to your direction and control and performing services for you excluding however, any such person while having care and custody of property outside the "premises". However, "employee" does not mean any:

- (1) Agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
- (2) Director or trustee except while performing acts coming within the scope of the usual duties of an employee.

- 2. "Employee Dishonesty" in paragraph A.2. means only dishonest acts committed by an "employee", whether identified or not, acting alone or in collusion with other persons, except you or a partner, with the manifest intent to:
 - a. Cause you to sustain loss; and also
 - b. Obtain financial benefit (other than employee benefits earned in the normal course of employment, including: salaries, commissions, fees, bonuses, promotions, awards, profit sharing or pensions) for:
 - (1) The "employee"; or
 - (2) Any person or organization intended by the "employee" to receive that benefit.
- 3. "Money" means:
 - a. Currency, coins and bank notes in current use and having a face value; and
 - b. Travelers checks, register checks and money orders held for sale to the public.
- 4. "Occurrence" means all loss caused by, or involving one or more "employees", whether the result of a single act or series of acts.
- 5. "Property Other Than Money And Securities" means any tangible property other than "money" and "securities" that has intrinsic value but does not include any property listed in any Coverage Form as Property Not Covered.
- 6. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:
 - a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you but does not include "money".

All other policy terms and conditions apply.

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54334 (12-10)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

UTILITY SERVICES FAILURE

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
BUSINESS INCOME (AND EXTRA EXPENSE) ACTUAL LOSS SUSTAINED COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
CAUSES OF LOSS - SPECIAL FORM

A. A. COVERAGE is amended as follows:

1. Under BUILDING AND PERSONAL PROPERTY COVERAGE FORM, CONDOMINIUM ASSOCIATION COVERAGE FORM AND CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM, **4. Additional Coverages**, the following is added:

Utility Services Failure

We shall pay for loss or damage to Covered Property due to the interruption of utility service(s) to the premises described in the Declarations. The interruption must result from direct physical damage by a Covered Cause of Loss to the property of your "local utility service".

2. Under BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM and BUSINESS INCOME (AND EXTRA EXPENSE) ACTUAL LOSS SUSTAINED COVERAGE FORM, **5. Additional Coverages**, the following is added:

Utility Services Failure

We shall pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur due to the interruption of utility service(s) to the premises described in the Declarations. The interruption must result from direct physical damage by a Covered Cause of Loss to the property of your "local utility service".

B. Limits of Insurance

The most we shall pay for the sum of **A.1.** and **2.** above, in any one loss, is the Limit of Insurance shown in the Declarations for UTILITY SERVICES FAILURE.

C. Exclusions

The following exclusions apply only to this endorsement:

1. Perishable Stock

We will not pay for loss or damage to "perishable stock".

2. Power or Other Utility Grid Failure

Under CAUSES OF LOSS - SPECIAL FORM, **B. EXCLUSIONS**, exclusion **1.e. Utility Services** is deleted and replaced by the following:

e. Utility Services

We shall not pay for loss or damage caused by or resulting from the failure to supply "communication supply services", "power supply services" or "water supply services" from any regional or national grid.

D. Definitions

1. Under BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM, **F. DEFINITIONS**, and BUSINESS INCOME (AND EXTRA EXPENSE) ACTUAL LOSS SUSTAINED COVERAGE FORM, **D. DEFINITIONS**, **4.** "Period of restoration" is deleted and replaced by the following with respect to the coverage provided by this endorsement only:

4. "Period of restoration" means period of time that:

- a. Begins immediately following the time of the interruption of utility service(s) to premises described in the Declarations caused by or resulting from direct physical loss or damage by a Covered Cause of Loss to the property of your "local utility service"; and
- b. Ends on the date when the interruption of utility service to the premises described in the Declarations is restored. "Period of restoration" does not mean any increased period required due to the enforcement of any ordinance or law that:
 - a. Regulates the construction, use or repair, or requires the tearing down of any property; or
 - b. Regulates the prevention, control, re-

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54334 (12-10)

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pair, clean-up or restoration of environmental damage.

The expiration date of this policy will not shorten or cause the "period of restoration" to terminate.

2. The following definitions apply only to this Additional Coverage:
 - a. "Communication Supply Services" meaning property supplying communication services, including telephone, radio, microwave or television services, to the described premises, that are not located on a described premises and not rented, leased or owned by any insured, such as:
 - (1) Communication transmission lines, including optic fiber transmission lines;
 - (2) Coaxial cables; and
 - (3) Microwave radio relays, except satellites.
 - b. "Local Utility Service" means your billing entity, repair entity or service entity directly supplying your "communication supply services", "power supply services" or "water supply services" to the premises described in the Declarations.

- c. "Perishable Stock" means merchandise held in storage or for sale that is refrigerated for preservation and is susceptible to loss or damage if the refrigeration fails.
- d. "Power Supply Services" meaning the following types of property supplying electricity, steam or gas to the described premises, that are not located on a described premises and not rented, leased or owned by any insured:
 - (1) Utility generating plants;
 - (2) Switching stations;
 - (3) Substations;
 - (4) Transformers; and
 - (5) Transmission lines.
- e. "Water Supply Services" mean the following types of property supplying water to the described premises, that are not located on a described premises and not rented, leased or owned by any insured:
 - (1) Pumping stations; and
 - (2) Water mains.

All other policy terms and conditions apply.

54338 (3-13)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FINE ARTS, COLLECTIBLES AND MEMORABILIA

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
CAUSES OF LOSS - SPECIAL FORM

A. Under A. COVERAGE, 4. Additional Coverages,
the following Additional Coverage is added:

Fine Arts, Collectibles and Memorabilia

1. Coverage

We will pay for direct physical loss or damage to "fine arts", "collectibles" and "memorabilia" that are:

- a. Located at the premises described in the Declarations;
- b. Not held for sale; and
- c. Owned by:
 - (1) You; or
 - (2) If you are:
 - (a) An individual, your spouse.
 - (b) A partnership or a joint venture, your members, your partners and their spouses.
 - (c) A limited liability company, your members.
 - (d) An organization other than a partnership, joint venture or limited liability company, your "executive officers".
 - (e) A trust, your trustees.

2. Exclusions

Under **B. EXCLUSIONS** of the CAUSES OF LOSS - SPECIAL FORM, the following exclusions are added to apply only to this Additional Coverage.

- a. An action committed by you or at your direction with the intent to cause loss or damage.
- b. Damage caused by any repairing, restoration or retouching process.
- c. Breakage of art glass windows, statuary, marble, glassware, bric-a-brac, porcelains and similar fragile articles unless caused by:
 - (1) Fire or lightning;
 - (2) Aircraft;

- (3) Theft or attempted theft;
- (4) Earthquake;
- (5) Flood or storm surge;
- (6) Malicious damage; or
- (7) Collision, derailment or overturn of conveyance

except as we may state otherwise.

- d. Mysterious disappearance unless the loss is a direct result of forcible entry of which there is visible evidence.
- e. Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.

3. Limit Of Insurance

We will pay no more than the smallest of either:

- a. The cost to replace damaged property with new property of similar quality and features reduced by the amount of decrease in value because of age, wear, obsolescence or market value applicable to the damaged property immediately prior to the loss; or
- b. The limits shown in the Declarations for FINE ARTS, COLLECTIBLES AND MEMORABILIA.

In no event shall our payment for all items in any one loss exceed the limits shown in the Declarations for FINE ARTS, COLLECTIBLES AND MEMORABILIA.

Our payment for loss of or damage to "fine arts", "collectibles", and "memorabilia" will only be for the account of the owner of the property. This is an additional amount of insurance.

4. Deductible

No deductible applies to this Additional Coverage.

5. Conditions

- a. In case of loss of or damage to any part of a pair or set, we may:

- (1) Repair or replace any part of the pair or set to restore it to its value before the loss; or
 - (2) Pay the difference between the actual cash value of the property before and after the loss.
- b. In case of loss or damage to any part of property covered, consisting of several parts when complete, we shall pay only for the value of the part lost or damaged.
 - c. In the event of loss or damage to property covered, claim payment is subject to the insurable interest of the covered insured.
- B. Under **F. ADDITIONAL CONDITIONS, Coinsurance**, does not apply to this coverage.
- C. Under **C. LIMITATIONS** of CAUSES OF LOSS - SPECIAL FORM, paragraph 2.b. does not apply to this Additional Coverage.
- D. The following **Definitions** apply to this Additional Coverage only:

1. "Fine arts" mean paintings, etchings, pictures, tapestries, art glass windows and other bona fide works of art of rarity, historical value or artistic merit.
2. "Collectibles" mean objects collected as a hobby, for display or as an investment whose value may appreciate.
3. "Memorabilia" means objects valued for their connection to historical events, culture, entertainment or experiences worthy of remembrance.
4. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

All other policy terms and conditions apply.

54843 (7-19)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EQUIPMENT BREAKDOWN COVERAGE

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
CAUSES OF LOSS - BASIC FORM
CAUSES OF LOSS - BROAD FORM
CAUSES OF LOSS - SPECIAL FORM

1. BUILDING AND PERSONAL PROPERTY COVERAGE FORM, CONDOMINIUM ASSOCIATION COVERAGE FORM and CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM are amended.
 - a. **A. COVERAGE** is amended. The following coverage is added for purposes of this endorsement only.

We will pay for "Equipment Breakdown" in any one occurrence at any one location where "Equipment Breakdown" is shown in the Declarations. The most we will pay for "Equipment Breakdown" is shown in the Declarations and is subject to the Limits of Insurance section of this endorsement.
 - b. **A. COVERAGE, 4. Additional Coverages** is amended for purposes of this endorsement only.
 - (1) **d. Pollutant Clean-up And Removal** is deleted and replaced by the following Additional Coverage.
 - d. **Pollutant Clean-up And Removal**

We will pay for the pollutant clean-up, removal, repair or replacement of damaged Covered Property resulting from an "Equipment Breakdown". The amount we pay is subject to the Limits of Insurance section of this endorsement. This coverage does not include contamination of perishable stock by a refrigerant.
 - (2) **e. Electronic Data** is deleted and replaced by the following Additional Coverage.
 - e. **Electronic Data Restoration**
 - (1) We will pay for your reasonable and necessary cost to research, replace or restore "electronic data" which has been destroyed or corrupted as

a result of "Equipment Breakdown". To the extent that "electronic data" is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the "electronic data" was stored, with blank media of substantially identical type.

- (2) The amount we pay is subject to the Limits of Insurance section of this endorsement.

- (3) The following Additional Coverages are added.

(a) Expediting Expenses

We will pay for the expediting expense loss resulting from an "Equipment Breakdown" with respect to your damaged Covered Property. We will pay the "reasonable extra cost" to:

- 1) Make temporary repairs;
 - 2) Expedite permanent repairs; or
 - 3) Expedite permanent replacement.
- "Reasonable extra cost" shall mean "the extra cost of temporary repair and of expediting the repair of such damaged equipment of the insured, including overtime and the extra cost of express or other rapid means of transportation". The amount we pay is subject to the Limits of Insurance section of this endorsement.

(b) Refrigerant Contamination

We will pay for loss to your Covered Property that is damaged by contamination by a refrigerant used in refrigerating, cooling or humidity control equipment at the described premises as

a result of an "Equipment Breakdown". The amount we pay is subject to the Limits of Insurance section of this endorsement.

(c) Spoilage Coverage

1) We will pay for loss of "perishable goods" caused by spoilage resulting from lack of power, light, heat, steam or refrigeration caused by an "Equipment Breakdown" to types of property covered by this policy, that are:

- a) Located on or within 1,000 feet of your described premises; and
- b) Owned by you, the building owner (if you are a tenant), or owned by a public utility, or other supplier with whom you have a contract to supply you with any of the following services: electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, internet access, telecommunications services, wide area networks or data transmission.

2) However, we will not pay for any physical loss or damage caused by or resulting from any of the causes of loss listed below, unless loss or damage not otherwise excluded results, then we will pay for such resulting damage:

- a) Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water damage, earth movement; or
- b) Flood, unless an "Equipment Breakdown" ensues.

Our payment will be based upon the actual replacement cost of the "perishable goods" at the time of loss. The amount we pay is subject to the Limits of Insurance section of this endorsement.

(d) CFC Refrigerants

We will pay for the "additional costs" to repair or replace Covered Property because of the use or presence of a

refrigerant containing CFC (chlorofluorocarbon) substances.

"Additional costs" mean those in excess of what would have been required to repair or replace Covered Property, had no CFC refrigerant been involved. We will also pay for additional loss as described under Spoilage Coverage or loss of Business Income Coverage provided by this endorsement, caused by the presence of a refrigerant containing CFC substances.

We will pay no more than the least of the following:

- 1) The cost to repair the damaged property and replace any lost CFC refrigerant;
- 2) The cost to repair the damaged property, retrofit the system to accept a non-CFC refrigerant, and charge the system with a non-CFC refrigerant; or
- 3) The cost to replace the system with one using a non-CFC refrigerant.

The amount we pay is subject to the Limits of Insurance section of this endorsement.

(e) Computer Equipment

We will pay for direct physical loss or damage to your computers as a result of an "Equipment Breakdown".

The amount we pay is subject to the Limits of Insurance section of this endorsement.

(f) Business Interruption, Extra Expense, Electronic Data and Service Interruption

Any insurance provided for Business Income, Extra Expense or Electronic Data is extended to apply to your loss, damage or expense caused by an "Equipment Breakdown" to equipment that is owned by a utility, landlord or other supplier with whom you have a contract to supply you with any of the following services: electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, internet access, telecommunications services, wide area networks, data transmission or "cloud computing". The equipment must meet the definition of "Equipment Breakdown" except that it is not Covered Property.

We will pay:

- 1) Your actual loss sustained from a total or partial interruption of business; and
- 2) The reasonable extra expense you sustain to run your business during the interruption, caused solely by an "Equipment Breakdown", including an "Equipment Breakdown" to any transformer, electrical apparatus, or any covered equipment that is:
 - a) Located on or within 1,000 feet of your described premises;
 - b) Owned by you, the building owner (if you are a tenant), or owned by a public utility company; and
 - c) Used to supply electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, internet access, telecommunications services, wide area networks or data transmission.

The amount we pay is subject to the Limits of Insurance section of this endorsement.

(g) Temperature Fluctuation

We will pay for loss of "perishable goods" only caused by or resulting from any condition or event to Covered Property that can be resolved by calibrating, resetting, tightening, adjusting or cleaning.

However, we will not pay for loss of "perishable goods" as a result of resetting the power supply to the Covered Property containing the "perishable goods".

The amount we pay is subject to the Limits of Insurance section of this endorsement.

(h) Unauthorized Instruction

We will pay for loss or damage to your "computer equipment" caused by an "unauthorized instruction" which results in an "Equipment Breakdown".

"Computer equipment" means Covered Property that is electronic computer or other data processing equipment, including peripherals used in conjunction with such equipment and electronic media and records.

"Unauthorized instruction" means a virus, harmful code or similar instruction

introduced into or enacted on a computer system or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation.

The amount we pay is subject to the Limits of Insurance section of this endorsement.

(i) Risk Improvement

If Covered Property suffers direct physical loss or damage caused by an "Equipment Breakdown", we will pay for the insured to improve the "power quality" of the electrical system or equipment at the loss location where the "Equipment Breakdown" occurred. "Power quality" means the conditions that allow electrical systems or equipment to operate as intended by limiting voltage fluctuations and other power influences that would adversely affect the operational performance and/or reduce the reliability or the lifespan of the electrical system.

We will pay the reasonable extra cost to improve "power quality" for the following electrical systems and/or equipment improvements:

- 1) Installation of surge protection devices (SPD's) which are installed at the loss location's line disconnect, load disconnect, or on specific pieces of equipment and that are certified by Underwriter Laboratories (UL) or has an equivalent certification.
However, SPD's do not include any SPD's which are cord-connected surge strips, direct plug-in SPD's or receptacle SPD's;
- 2) An upgrade and/or replacement of electrical panels, switchgear and/or circuit breakers; or
- 3) Electrical wire and wiring improvements which include installation of flexible conduit, junction boxes and/or ground wiring.

An invoice for implementation of this Additional Coverage must be sent to us within 180 days after the payment of the loss is received.

The amount we pay is subject to the Limits of Insurance section of this endorsement.

(j) **Off-Premises Coverage**

We will pay for loss or damage to Covered Property resulting from a covered "Equipment Breakdown" while temporarily at a premises or location that is not a described premises.

The amount we pay is subject to the Limits of Insurance section of this endorsement.

- (4) **5. Coverage Extensions** is amended. The following coverage extension is added.

Replacement Cost Coverage

We will pay you the amount you actually spend to repair or replace your damaged property with new property of like kind, capacity, size and quality, whichever is less except for the following.

If any damaged property is not repaired or replaced, then we will pay only the actual cash value at the time of the "Equipment Breakdown".

c. **B. EXCLUSIONS AND LIMITATIONS** is

amended. The following provision is added for purposes of this endorsement only.

Under Business Interruption, Extra Expense and Service Interruption, we will not pay for:

- (1) The interruption of business that would not or could not have been carried on if the "Equipment Breakdown" had not occurred;
- (2) Your failure to use due diligence and dispatch and all reasonable means to resume business at the location(s) shown on the Declarations page; or
- (3) The part of any loss or expense that is due solely to the suspension, lapse or cancellation of a contract following an "Equipment Breakdown" extending beyond the time business would have resumed if the contract had not lapsed, been suspended or canceled.

- d. **C. LIMITS OF INSURANCE** is deleted and replaced by the following provisions for purposes of this endorsement only.

C. LIMITS OF INSURANCE

1. The most we will pay for "Equipment Breakdown" for one or more coverages in any one occurrence at any one location is the amount equal to the "total insured value" at each location where "Equipment Breakdown" is shown in the Declarations. This provision does not apply to paragraph C.4.
2. The limit of insurance for **Pollutant Clean-up And Removal, Electronic Data Restoration, Refrigerant Contamination, Spoilage Coverage,**

Temperature Fluctuation, Risk Improvement and Off-Premises

Coverage are not additional limits of insurance, but are included in the "total insured value". We will pay the lesser of "total insured value" or:

- a. For Pollutant Clean-up And Removal, the greater of \$250,000 or the limit shown in the Declarations for Pollutant Clean-up And Removal or the limit shown in an endorsement that is attached to the property form;
 - b. For Electronic Data Restoration, up to \$100,000 for loss, damage or expense including actual loss of Business Income you sustain and necessary Extra Expense you incur;
 - c. For Refrigerant Contamination, up to \$750,000 for loss or damage;
 - d. For Spoilage Coverage, up to \$750,000 for loss or damage;
 - e. For Temperature Fluctuation, up to \$5,000 for loss including actual loss of Business Income you sustain and necessary Extra Expense you incur;
 - f. For Risk Improvement, 10% of the loss amount paid, up to a maximum limit of \$10,000; and
 - g. For Off-Premises Coverage, up to \$25,000 for loss or damage.
3. In no event will we pay more than the "total insured value" for each location where "Equipment Breakdown" is shown in the Declarations.
4. As regards Business Interruption, Extra Expense and Service Interruption, our limit of liability for any one "Equipment Breakdown" is equal to twelve (12) consecutive months of actual loss sustained for a total or partial interruption of your business. The twelve (12) consecutive months begin on the date of the "Equipment Breakdown".

- e. When the Equipment Breakdown Deductible Exception Schedule is attached to this policy, for purposes of this endorsement only, **D. DEDUCTIBLE** is deleted and replaced by the following wherever it appears in this Coverage Part or any endorsement attached to this Coverage Part.

D. DEDUCTIBLE

The applicable Deductible shown in the Equipment Breakdown Deductible Exception Schedule (hereinafter referred to as Schedule) will apply unless otherwise stated

in the endorsement. If no applicable Deductible is shown in the Schedule for a coverage, the policy Deductible shown in the Declarations will apply to such coverage unless otherwise stated.

In any one occurrence of loss or damage (hereinafter referred to as loss), the Deductible will apply as follows.

1. Multiple Deductibles may apply to a loss.

However, if multiple types of Covered Property are involved in a loss and different Deductibles are shown in the Schedule for the different types of Covered Property, only the largest applicable Deductible for each coverage will apply.

When a Deductible in the Schedule applies to a Business Income or Extra Expense loss, such Deductible applies in place of any waiting period set forth in the BUSINESS INCOME form attached to this policy.

2. If the adjusted amount of loss is less than or equal to the Deductible, we will not pay for that loss. If the adjusted amount of loss exceeds the Deductible, we will then subtract the Deductible from the amount of loss we would otherwise pay and will pay the resulting amount or the Limit of Insurance, whichever is less.
3. The Schedule may indicate Direct Coverages Deductibles and Indirect Coverages Deductibles. Unless otherwise indicated in the Schedule, Indirect Coverages Deductibles apply to Business Income loss and Extra Expense loss and Direct Coverages Deductibles apply to all other loss.
4. When a Dollar Deductible is shown in the Schedule, we will subtract the Deductible amount from the amount of loss we would otherwise pay and will pay the resulting amount or the Limit of Insurance, whichever is less.
5. When a Time Deductible is shown in the Schedule, we will not pay for loss that occurs during the specified time period immediately following the "Equipment Breakdown" occurrence. If the Time Deductible is expressed as a number of days, each day means twenty-four consecutive hours.

6. When a Multiple of ADV Deductible is shown in the Schedule, the amount of Deductible will be calculated as follows:

- a. Take the amount of Business Income that you would have earned during the "period of restoration" had no "Equipment Breakdown" loss occurred (Business Income and "period of restoration" have the meanings set forth in the BUSINESS INCOME form attached to this policy). The Business Income will include the entire location regardless of the loss affecting the entire location or part of the location. If two or more locations are affected in the "Equipment Breakdown" loss, the Business Income will be the combined amount of all affected locations.
- b. Take the result in paragraph 6.a. and divide it by the number of days your business would have been operating during the "period of restoration" had no "Equipment Breakdown" occurred. This result is the Average Daily Value.
- c. The Average Daily Value calculated in paragraph 6.b. multiplied by the number shown in the Schedule is the amount of the Multiple of ADV Deductible. We will subtract this amount from the amount of loss we would otherwise pay and will pay the resulting amount or the Limit of Insurance, whichever is less.

- f. **F. ADDITIONAL CONDITIONS** is amended. The following Conditions are added for purposes of this endorsement only.

(1) Suspension

Whenever Covered Property is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against loss to that Covered Property for the perils covered by this endorsement. Coverage can be suspended and possibly reinstated by delivering or mailing a written notice of suspension or coverage reinstatement to:

- (a) Your last known address; or
- (b) The address where the property is located.

If we suspend your insurance, you will get a pro rata refund of premium. However, the suspension will be effective even if we have not yet made or offered a refund.

(2) Jurisdictional Inspections

If any Covered Property under this endorsement requires inspection to comply with state or municipal boiler and pressure vessel regulations, we agree to perform such inspection on your behalf. We do not warrant that conditions are safe or healthful.

(3) Environmental, Safety and Efficiency Improvements

If Covered Property requires replacement caused by an "Equipment Breakdown", we will pay your additional cost to replace with equipment that is better for the environment, safer, or more efficient than the equipment being replaced.

However, we will not pay more than 150% of what the cost would have been to repair or replace with like kind and quality. This condition does not apply to any property to which Actual Cash Value applies.

(4) Green Environmental and Efficiency Improvements

(a) If Covered Property requires repair or replacement caused by an "Equipment Breakdown", we will pay:

- 1) The lesser of the reasonable and necessary additional cost incurred by you to repair or replace physically damaged Covered Property with equipment of like kind and quality which qualifies as "Green". Like kind and quality includes similar size and capacity.
- 2) The additional reasonable and necessary fees incurred by you for an accredited professional certified by a "Green Authority" to participate in the repair or replacement of physically damaged Covered Property as "Green".
- 3) The additional reasonable and necessary cost incurred by you for certification or recertification of the repaired or replaced Covered Property as "Green".
- 4) The additional reasonable and necessary cost incurred by you for "Green" in the removal, disposal or recycling of damaged Covered Property.
- 5) The business interruption (if coverage is provided by the policy to

which this endorsement is attached) loss during the additional time required for repair or replacement of Covered Property, consistent with "Green", in the coverage above.

We will not pay more than 150%, up to a maximum limit of \$100,000, of what the cost would have been to repair or replace with equipment of like kind and quality inclusive of fees, costs and any business interruption loss incurred as stated above.

(b) Green Environmental and Efficiency Improvements does not cover any of the following.

- 1) Covered Property does not include stock, raw materials, finished goods, "production machinery", merchandise, electronic data processing equipment not used in the functional support of the real property, process water, molds and dies, property in the open, property of others for which you are legally liable, or personal property of others.
- 2) Any loss adjusted on any valuation basis other than a repair or replacement cost basis as per **E. LOSS CONDITIONS, 4. Loss Payment.**
- 3) Any loss covered under any other section of this policy.
- 4) Any cost incurred because of any law or ordinance with which you were legally obligated to comply with prior to the time of the "Equipment Breakdown".

(5) Other Insurance Issued By Us

If this policy provides coverage for Data Processing Equipment Coverages, Electronic Data Processing Equipment, Refrigerated Products, Spoilage or Mechanical Breakdown where two or more of this policy's coverages apply to the same loss or damage, the coverage of this endorsement shall supersede any coverages provided outside of this Equipment Breakdown Endorsement for the loss or damage that arises out of an "Equipment Breakdown" loss.

This Condition supersedes any similar Condition when provided by us in this policy.

2. B. EXCLUSIONS of the CAUSES OF LOSS FORMS is amended.

- a.** CAUSES OF LOSS - BASIC FORM and CAUSES OF LOSS - BROAD FORM are

amended. The following exclusions are deleted for purposes of this endorsement only.

Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, disrupts or otherwise interferes with any:

- (1) Electrical or electronic wire, device, appliance, system or network; or
- (2) Device, appliance, system or network utilizing cellular or satellite technology.

For the purpose of this exclusion, electrical, magnetic or electromagnetic energy includes but is not limited to:

- (a) Electrical current, including arcing;
- (b) Electrical charge produced or conducted by a magnetic or electromagnetic field;
- (c) Pulse of electromagnetic energy; or
- (d) Electromagnetic waves or microwaves.

However, if fire results, we will pay for the loss or damage caused by that fire.

Mechanical breakdown, including rupture or bursting caused by centrifugal force. However, if mechanical breakdown results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control.

However, if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion.

b. CAUSES OF LOSS - SPECIAL FORM, B. EXCLUSIONS, 2. is amended. The following exclusions are deleted for purposes of this endorsement only.

- a. Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, disrupts or otherwise interferes with any:

- (1) Electrical or electronic wire, device, appliance, system or network; or
- (2) Device, appliance, system or network utilizing cellular or satellite technology.

For the purpose of this exclusion, electrical, magnetic or electromagnetic energy includes but is not limited to:

- (a) Electrical current, including arcing;
- (b) Electrical charge produced or conducted by a magnetic or electromagnetic field;
- (c) Pulse of electromagnetic energy; or
- (d) Electromagnetic waves or microwaves.

However, if fire results, we will pay for the loss or damage caused by that fire.

- d. (6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. However, if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision; or

- e. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. However, if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

3. CAUSES OF LOSS - SPECIAL FORM, C. LIMITATIONS is amended. The following limitations are deleted for purposes of this endorsement only.

- a. Steam boilers, steam pipes, steam engines, or steam turbines caused by or resulting from any condition or event inside such equipment. However, we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
- b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than any explosion.

4. DEFINITIONS is amended.

- a. **CAUSES OF LOSS - SPECIAL FORM**, "Specified Causes of Loss" is amended to include "Equipment Breakdown" for purposes of this endorsement only.
- b. **CAUSES OF LOSS - SPECIAL FORM**, **CAUSES OF LOSS - BASIC FORM** and **CAUSES OF LOSS - BROAD FORM** are amended. The following definitions are added for purposes of this endorsement only.
"Cloud computing" means on-demand network access to a shared pool of computing resources via networks, servers, storage, applications and services provided by an organization with whom you have a contract with using the following service models: Software as a Service (SaaS), Platform as a Service (PaaS) and Infrastructure as a Service (IaaS) on the following deployment models: public cloud, community cloud, hybrid cloud and private cloud.

"Electronic equipment" means devices which operate using many small electrical parts such as, but not limited to, microchips, transistors or circuits.

"Electronic equipment deficiency" means the quality or condition inside of "electronic equipment" which renders this equipment unexpectedly inoperable and which is operable again once a piece of "electronic equipment" has been replaced.

However, "electronic equipment deficiency" will not include replacement of "electronic equipment" for any condition that could have been resolved without replacement of the "electronic equipment" including but not limited to "computer equipment" maintenance or the reinstallation or incompatibility of software.

"Equipment Breakdown" means:

- (1) Physical loss or damage both originating within:
 - (a) Boilers, fired or unfired pressure vessels, vacuum vessels, and pressure piping, all normally subject to vacuum or internal pressure other than static pressure of contents, excluding:
 - 1) Waste disposal piping;
 - 2) Any piping forming part of a fire protective system;
 - 3) Insulating or refractory material including any surrounding shell; and
 - 4) Any water piping other than:
 - a) Boiler feed water piping between the feed pump and the boiler;
 - b) Boiler condensate return piping; or
 - c) Water piping forming part of a refrigerating or air conditioning system.
 - (b) All mechanical, electrical, "electronic equipment" or fiber optic equipment; and
- (2) Caused by, resulting from, or consisting of:
 - (a) Mechanical breakdown;
 - (b) Electrical or electronic breakdown and "electronic equipment deficiency"; or
 - (c) Rupture, bursting, bulging, implosion, or steam explosion.
- (3) However, "Equipment Breakdown" does not mean:

Physical loss or damage caused by or resulting from any of the following; however, if loss or damage not otherwise excluded results, then we will pay for such resulting damage:

- (a) Wear and tear;
- (b) Rust or other corrosion, decay, deterioration, hidden or latent defect, "fungi", wet rot, dry rot, virus, bacteria or any other quality in property that causes it to damage or destroy itself;
- (c) Smog;
- (d) Settling, cracking, shrinking or expansion;
- (e) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals;
- (f) Any accident, loss, damage, cost, claim, or expense, whether preventative, remedial, or otherwise, directly or indirectly arising out of or relating to the recognition, interpretation, calculation, comparison, differentiation, sequencing, or processing of data by any computer system including any hardware, programs or software;
- (g) Scratching or marring; and
- (h) Loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss:
 - 1) Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water damage, earth movement; or
 - 2) Flood, unless an "Equipment Breakdown" ensues.

"Green" means products, materials, methods and processes certified by a "Green Authority" that conserve natural resources, reduce energy or water consumption, avoid toxic or other polluting emissions or otherwise minimize environmental impact.

"Green Authority" means an authority on "Green" buildings, products, materials, methods or processes certified and accepted by Leadership in Energy and Environmental Design (LEED®), Green Building Initiative, Green Globes®, Energy Star Rating System or any other recognized "Green" rating system.

"Perishable goods" means stock preserved and maintained under controlled conditions and susceptible to loss or damage if the controlled conditions change.

"Production machinery" means any machine which processes, forms, shapes or transports raw materials, materials in process, waste materials or finished products.

"Total insured value" means:

The sum of the limits for the following coverages if shown at the location where "Equipment Breakdown" is shown in the Declarations:

- (1) Building;
- (2) Business Personal Property;
- (3) Stock;
- (4) Personal Property of Others;
- (5) Tenants Improvements and Betterments;
- (6) Improvements and Alterations;
- (7) Furniture;
- (8) Fixtures;

- (9) Machinery and Equipment;
- (10) Personal Property in the Open;
- (11) Legal Liability Real Property;
- (12) Business Income and Extra Expense (when Business Income and Extra Expense - Actual Loss Sustained is shown in the Declarations, Business Income and Extra Expense applies at 25% of the sum of the building and business personal property limits at that location);
- (13) Business Income (Without Extra Expense);
- (14) Extra Expense; and
- (15) Any other property described.

All other policy terms and conditions apply.

64013 (12-10)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION - SPECIALTY GLASS

This endorsement modifies insurance provided under the following:

CAUSES OF LOSS - SPECIAL FORM
CAUSES OF LOSS - BROAD FORM
CAUSES OF LOSS - BASIC FORM

- A.** Under **LIMITATIONS** in Causes of Loss - Special Form and **LIMITATION** in Causes of Loss - Broad Form and Basic Form, the following limitation is added:
We will not pay more than \$500 in any one occurrence for direct physical loss of or damage to "specialty glass" at the premises described in the Declarations regardless of the number of panes, plates or similar units of glass. Subject to this aggregate, we will not pay more than \$100 for any one pane, plate, multiple plate insulating unit, jalousie, louver or shutter.

This limitation does not apply to loss or damage by the "specified causes of loss", except vandalism.

- B.** Under **DEFINITIONS**, the following definition is added:
"Specialty glass" means art glass, etched glass, half tone screens, memorial windows, mosaic art, roto-gravure screens, stained glass or stained glass in leaded sections.

All other policy terms and conditions apply.

64021 (1-20)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

GEORGIA CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

- A.** The following exclusion and related provisions are added to Paragraph **B.2. EXCLUSIONS** in the Causes Of Loss Forms and to any Coverage Form or policy to which a Causes Of Loss Form is not attached:
- 1.** We will not pay for loss or damage arising out of any act committed:
 - a.** By or at the direction of any insured; and
 - b.** With the intent to cause a loss.
 - 2.** However, this exclusion will not apply to deny coverage to an innocent co-insured, provided the loss:
 - a.** Is otherwise covered under this Coverage Part; and
 - b.** Arose out of an act of family violence or sexual assault by an insured against whom a family violence or sexual assault complaint is brought for such act.
 - 3.** If we pay a claim pursuant to Paragraph **A.2.**, our payment to the insured is limited to that insured's legal interest in the property less any payments we first made to a mortgageholder or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.
- B.** The following explanation is added with respect to application of the Exclusion of "Fungi", Wet Rot Or Dry Rot and the Limited Coverage of the same title:

With respect to the portion of Covered Property that would still have required repair or replacement had there been no "fungi", wet rot or dry rot, this Exclusion and Limited Coverage will not serve to limit the amount of recovery for such repair or replacement.

However, the Exclusion and Limited Coverage shall continue to apply to:

- 1.** The cost to treat, contain, remove or dispose of "fungi", wet rot or dry rot beyond that which is required to repair or replace Covered Property;
- 2.** The cost of testing as described in the Limited Coverage; and
- 3.** Any increase in loss under Business Income and/or Extra Expense Forms resulting from **1.** or **2.** above.

Regardless of whether the Exclusion and Limited Coverage apply to a loss, the Limit of Insurance on Covered Property is not increased. The maximum recoverable, for the total of the cost to repair or replace Covered Property and any additional covered cost to treat, contain, remove, dispose of or test for "fungi", wet rot or dry rot, is the applicable Limit of Insurance on the affected Covered Property.

All other policy terms and conditions apply.

64062 (5-13)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CHANGES - DIMINUTION IN VALUE

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
BUILDERS' RISK COVERAGE FORM

It is agreed:

Under **E. LOSS CONDITIONS, 4. Loss Payment, a.** is deleted and replaced by the following:

- a. In the event of loss or damage covered by this Coverage Form, at our option we will either:
 - (1) Repair, rebuild or replace the property with other property of like kind and quality, or pay the cost of such repair, rebuilding or replacement, as limited by paragraph **b.** of this Loss Payment Condition and any other applicable policy provisions such as the Limit of Insurance provision, the Valuation Condition or any provision which amends or supersedes the Valuation Condition; or
 - (2) Take all or any part of the property at an agreed or appraised value.

With respect to Paragraph **a.(1)**, this policy covers only the cost of repair, rebuilding or replacement. Such cost does not include recovery of, and therefore this policy does not pay any compensation for, an actual or perceived reduction in the market value of any property. But if the property that has sustained loss or damage is subject to an endorsement which explicitly addresses market value, then that endorsement will apply to such property in accordance with its terms.

All other policy terms and conditions apply.

64085 (10-13)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

GEORGIA CHANGES - APPRAISAL

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

The Appraisal Condition content wherever found in a Commercial Property Coverage Part is deleted and replaced by the following:

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If

they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will not be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

All other policy terms and conditions apply.

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64224 (1-16)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CHANGES - TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

COMMERCIAL PROPERTY CONDITIONS, I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US is amended. The following condition is added.

If the claim paid is less than the agreed loss because of any deductible or other limiting terms, the recovery is

prorated between you and us based on the interest of each in the loss. This condition only applies if we pay for a loss and then payment is made by those responsible for the loss.

All other policy terms and conditions apply

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64326 (7-19)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CHANGES - ACTUAL CASH VALUE AND DEPRECIATION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

Wherever it appears in this Coverage Part and any endorsement attached to this Coverage Part:

1. Actual cash value means the cost to repair or replace lost or damaged property with property of similar quality and features reduced by the amount of depreciation applicable to the lost or damaged property immediately prior to the loss.
2. Depreciation means a decrease in value because of age, wear, obsolescence or market value and includes:
 - a. The cost of materials, labor and services;

- b. Any applicable taxes; and
- c. Profit and overhead necessary to repair, rebuild or replace lost or damaged property.

The meanings of actual cash value and depreciation in this endorsement supersedes any provision in this Coverage Part and any endorsement attached to this Coverage Part to the contrary.

All other policy terms and conditions apply.

64000 (12-10)

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section H. DEFINITIONS.

The descriptions in the headings of this Coverage Form and all applicable endorsements are solely for convenience and form no part of the terms and conditions of coverage.

A. COVERAGE

We will pay for direct physical loss of or damage to Covered Property at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss.

1. Covered Property

Covered Property, as used in this Coverage Part, means the type of property described in Section A.1., and limited in A.2., Property Not Covered, if a Limit of Insurance is shown in the Declarations for that type of property.

- a. **Building**, meaning the building or structure described in the Declarations, including:
 - (1) Completed additions;
 - (2) Fixtures, including outdoor fixtures;
 - (3) Permanently installed:
 - (a) Machinery; and
 - (b) Equipment;
 - (4) Building glass, meaning glass that is part of the building or structure;
 - (5) Personal property owned by you that is used to maintain or service the building or structure or its premises, including:
 - (a) Fire-extinguishing equipment;
 - (b) Outdoor furniture;
 - (c) Floor coverings; and
 - (d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering; and
 - (6) If not covered by other insurance:
 - (a) Additions under construction, alterations and repairs to the building or structure; and
 - (b) Materials, equipment, supplies and temporary structures, on or within 1,000 feet of the described prem-

ises, used for making additions, alterations or repairs to the building or structure.

- b. **Your Business Personal Property** located in or on the building described in the Declarations or in the open (or in a vehicle) within 1,000 feet of the described premises, consisting of the following unless otherwise specified in the Declarations or on the Your Business Personal Property - Separation Of Coverage endorsement:
 - (1) Furniture and fixtures;
 - (2) Machinery and equipment;
 - (3) "Stock";
 - (4) All other personal property owned by you and used in your business;
 - (5) Labor, materials or services furnished or arranged by you on personal property of others;
 - (6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
 - (a) Made a part of the building or structure you occupy but do not own; and
 - (b) You acquired or made at your expense but cannot legally remove; and
 - (7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property Of Others.
- c. **Personal Property Of Others** that is:
 - (1) In your care, custody or control; and

- (2) Located in or on the building described in the Declarations or in the open (or in a vehicle) within 1,000 feet of the described premises.

However, our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

2. Property Not Covered

Covered Property does not include:

- a. Accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities;
- b. Animals, unless owned by others and in your care, custody or control, or if owned by you, only as "stock" while inside of buildings;
- c. Automobiles held for sale;
- d. Bridges, roadways, walks, patios or other paved surfaces;
- e. Contraband, or property in the course of illegal transportation or trade;
- f. The cost of excavations, grading, backfilling or filling;
- g. Foundations of buildings, structures, machinery or boilers if their foundations are below:
 - (1) The lowest basement floor; or
 - (2) The surface of the ground, if there is no basement;
- h. Land (including land on which the property is located), water, growing crops or lawns;
- i. Personal property while airborne or waterborne;
- j. Bulkheads, pilings, piers, wharves or docks;
- k. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
- l. Retaining walls that are not part of a building;
- m. Underground pipes, flues or drains;
- n. "Electronic data", except as provided under the Additional Coverage - Electronic Data. This Paragraph n. does not apply to your "stock" of prepackaged software;
- o. The cost to replace or restore the information on valuable papers and records, including those which exist as "electronic data". Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems. Refer to the Coverage Extension for Valu-

able Papers And Records (Other Than Electronic Data) for limited coverage for valuable papers and records other than those which exist as "electronic data";

- p. Vehicles or self-propelled machines (including aircraft or watercraft) that:
 - (1) Are licensed for use on public roads; or
 - (2) Are operated principally away from the described premises.

This paragraph does not apply to:

- (a) Vehicles or self-propelled machines or automobiles you manufacture, process or warehouse;
- (b) Vehicles or self-propelled machines, other than automobiles, you hold for sale;
- (c) Rowboats or canoes out of water at the described premises; or
- (d) Trailers, but only to the extent provided for in the Coverage Extension for Non-owned Detached Trailers; or
- q. The following property while outside of buildings:
 - (1) Grain, hay, straw or other crops; or
 - (2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than "stock" of trees, shrubs or plants), all except as provided in the Coverage Extensions.

3. Covered Causes Of Loss

See applicable Causes Of Loss Form as shown in the Declarations.

4. Additional Coverages

a. Debris Removal

- (1) Subject to Paragraphs (3) and (4) below, we will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.
- (2) Debris Removal does not apply to costs to:
 - (a) Extract "pollutants" from land or water; or
 - (b) Remove, restore or replace polluted land or water.
- (3) Subject to the exceptions in Paragraph (4) below, the following provisions apply:
 - (a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit

of Insurance applicable to the Covered Property that has sustained loss or damage.

- (b) Subject to (a) above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.
- (4) We will pay up to an additional \$10,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:
- (a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
- (b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.
- Therefore, if (4)(a) and/or (4)(b) apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus \$10,000.
- (5) **Examples**
In the following examples, the figures used are for illustrative purposes only and do not reflect your actual insurance.

The following examples assume that there is no Coinsurance penalty.

EXAMPLE #1

Limit of Insurance:	\$90,000
Amount of Deductible:	\$ 500
Amount of Loss:	\$50,000
Amount of Loss Payable:	\$49,500
	(\$50,000 - \$500)
Debris Removal Expense:	\$10,000
Debris Removal Expense Payable:	\$10,000
(\$10,000 is 20% of \$50,000.)	

The debris removal expense is less than 25% of the sum of the loss payable plus the deductible. The sum of the loss payable and the debris removal expense (\$49,500 + \$10,000 = \$59,500) is less than the Limit of Insurance. Therefore, the full amount of debris removal expense is payable in accordance with the terms of Paragraph (3).

EXAMPLE #2

Limit of Insurance:	\$90,000
Amount of Deductible:	\$ 500
Amount of Loss:	\$80,000
Amount of Loss Payable:	\$79,500
	(\$80,000 - \$500)
Debris Removal Expense:	\$30,000
Debris Removal Expense Payable:	
Basic Amount:	\$10,500
Additional Amount:	\$10,000

The basic amount payable for debris removal expense under the terms of Paragraph (3) is calculated as follows: \$80,000 (\$79,500 + \$500) x .25 = \$20,000; capped at \$10,500. The cap applies because the sum of the loss payable (\$79,500) and the basic amount payable for debris removal expense (\$10,500) cannot exceed the Limit of Insurance (\$90,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph (4), because the debris removal expense (\$30,000) exceeds 25% of the loss payable plus the deductible (\$30,000 is 37.5% of \$80,000), and because the sum of the loss payable and debris removal expense (\$79,500 + \$30,000 = \$109,500) would exceed the Limit of Insurance (\$90,000). The additional amount of covered debris removal expense is \$10,000, the maximum payable under Paragraph (4). Thus, the total payable for debris removal expense in this example is \$20,500; \$9,500 of the debris removal expense is not covered.

b. Preservation Of Property

If it is necessary to move Covered Property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss or damage to that property:

- (1) While it is being moved or while temporarily stored at another location; and
- (2) Only if the loss or damage occurs within 45 days, unless a higher number of days are shown in the Declarations, after the property is first moved.

c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$2,500 per occurrence, unless a higher limit is shown in the Declarations, for your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

d. Pollutant Clean-up And Removal

We will pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". However, we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage for each described premises is \$10,000, unless a higher limit is shown in the Declarations, for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this policy.

e. Electronic Data

- (1) Subject to the provisions of this Additional Coverage, we will pay for the cost to replace or restore "electronic data" which has been destroyed or corrupted by a Covered Cause of Loss. To the extent that "electronic data" is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the "electronic data" was stored, with blank media of substantially identical type.
- (2) The Covered Causes of Loss applicable to Your Business Personal Property apply to this Additional Coverage, Electronic Data, subject to the following:
 - (a) If the Causes Of Loss - Special Form applies, coverage under this Additional Coverage, Electronic

Data, is limited to the "specified causes of loss" as defined in that form, and Collapse as set forth in that form.

- (b) If the Causes Of Loss - Broad Form applies, coverage under this Additional Coverage, Electronic Data, includes Collapse as set forth in that form.
- (c) If the Causes Of Loss Form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to coverage provided under this Additional Coverage, Electronic Data.
- (d) The Covered Causes of Loss include a computer virus, harmful code or similar instruction introduced into or enacted on a computer system (including "electronic data") or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. However, there is no coverage for loss or damage caused by or resulting from manipulation of a computer system (including "electronic data") by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system.

(3) Limit of Insurance

- (a) Annual Aggregate Limit – The most we will pay under this Additional Coverage, Electronic Data, for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved is \$10,000, unless a higher limit is shown in the Declarations.
- (b) Per Occurrence Limit - Subject to (a) above, we will pay up to the following amounts in any one occurrence of loss or damage:
 - 1) \$10,000 if the computer system(s) are equipped with active virus scanning or anti-virus software at the time of loss; or

- 2) \$2,500 if the computer system(s) are not equipped with active virus scanning or anti-virus software at the time of loss.

If loss payment for the first occurrence does not exhaust the annual aggregate limit shown in (a) above, then the balance is available for subsequent loss or damage sustained in but not after that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

f. Fire Extinguisher Systems Recharge Expense

- (1) We will pay:

- (a) The cost of recharging or replacing, whichever is less, your fire extinguishers and fire extinguishing systems (including hydrostatic testing if needed) if they are discharged on or within 1,000 feet of the described premises; and

- (b) For loss or damage to Covered Property if such loss or damage is the result of an accidental discharge of chemicals from a fire extinguisher or a fire extinguishing system.

- (2) No coverage will apply if the fire extinguishing system is discharged during installation or testing.

- (3) The most we will pay under this Additional Coverage is \$10,000, unless a higher limit is shown in the Declarations, in any one occurrence.

g. Arson Reward

- (1) We will pay for information which leads to a conviction for arson in connection with a fire loss to Covered Property insured by this policy.
- (2) The most we will pay per occurrence is \$7,500, unless a higher limit is shown in the Declarations, regardless of the number of persons who provide information.

h. Theft Reward

- (1) We will pay for information which leads to a conviction for theft of Covered Property insured by this policy.

- (2) The most we will pay per occurrence is 25% of the amount of covered loss or \$7,500, whichever is less, unless a higher limit is shown in Declarations, regardless of the number of persons who provide information.

i. Rekeying of Locks

- (1) If the keys to locks on doors of the building described in the Declarations are a part of a theft loss covered by this policy, we will pay reasonable necessary expenses you incur to rekey locks on doors of the building described in the Declarations.

- (2) The most we will pay per occurrence is \$1,000, unless a higher limit is shown in the Declarations.

5. Coverage Extensions

Except as otherwise provided, the following Extensions apply to property located in or on the building described in the Declarations or in the open (or in a vehicle) within 1,000 feet of the described premises.

If a coinsurance percentage of 80% or more, or a Value Reporting period symbol, is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

a. Newly Acquired Or Constructed Property

(1) Buildings

If this policy covers Building, you may extend that insurance to apply to:

- (a) Your new buildings while being built on the described premises; and
- (b) Buildings you acquire at locations, other than the described premises, intended for:

- 1) Similar use as the building described in the Declarations; or
- 2) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$500,000, unless a higher limit is shown in the Declarations, at each building.

(2) Your Business Personal Property

- (a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:

- 1) Business personal property (other than "stock"), including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions;

- 2) Business personal property (other than "stock"), including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or
- 3) Business personal property (other than "stock") that you newly acquire, located at the described premises.

The most we will pay for loss or damage under this Extension is \$250,000, unless a higher limit is shown in the Declarations, at each building.

- (b) This Extension does not apply to:
- 1) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or
 - 2) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) Period Of Coverage

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following first occurs:

- (a) This policy expires;
 - (b) 60 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property, unless a higher number of days are shown in the Declarations; or
 - (c) You report values to us.
- We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

b. Personal Effects And Property Of Others

You may extend the insurance that applies to Your Business Personal Property to apply to:

- (1) Personal effects owned by you, your officers, your partners or members, your managers or your employees. This Extension does not apply to loss or damage by theft.

- (2) Personal property of others in your care, custody or control.

The most we will pay for loss or damage under this Extension is \$2,500, unless a higher limit is shown in the Declarations, at each described premises. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

c. Valuable Papers and Records (Other Than "Electronic Data")

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to the cost to replace or restore the lost information on valuable papers and records for which duplicates do not exist. However, this Extension does not apply to valuable papers and records which exist as "electronic data".
- (2) If the Causes Of Loss - Special Form applies, coverage under this Extension is limited to the "specified causes of loss" as defined in that form, and Collapse as set forth in that form.
- (3) If the Causes Of Loss - Broad Form applies, coverage under this Extension includes Collapse as set forth in that form.
- (4) Under this Extension, the most we will pay in any one occurrence to replace or restore the lost information is:
 - (a) \$10,000 at each described premises; and
 - (b) \$10,000 while valuable papers and records are away from a described premises
 unless higher limit(s) are shown in the Declarations. Such amounts are additional insurance.
- (5) We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist), and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and therefore coverage of such costs is not additional insurance.

d. Property Off-premises

- (1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property, including "stock",

while it is away from the described premises, if it is:

- (a) Temporarily at a location you do not own, lease or operate;
 - (b) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or
 - (c) At any fair, trade show or exhibition.
- (2) This Extension does not apply to Covered Property:
- (a) In or on a vehicle; or
 - (b) In the care, custody or control of your salespersons, unless the property is in such care, custody or control at a fair, trade show or exhibition.
- (3) The most we will pay for loss or damage under this Extension is \$10,000, unless a higher limit is shown in the Declarations.

e. Outdoor Property

You may extend the insurance provided by this Coverage Form to apply to your outdoor:

- (1) Fences, trees, shrubs and plants (other than "stock" of trees, shrubs or plants), including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:

- (a) Fire;
- (b) Lightning;
- (c) Explosion;
- (d) Riot or Civil Commotion; or
- (e) Aircraft.

The most we will pay for loss or damage is \$10,000, but not more than \$1,000 for any one tree, shrub or plant, unless higher limits are shown in the Declarations. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

- (2) Radio and television antennas (including satellite dishes), including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:

- (a) Fire;
- (b) Lightning;
- (c) Windstorm or Hail;
- (d) Ice, snow or sleet;
- (e) Explosion;
- (f) Riot or Civil Commotion; or

(g) Aircraft.

The most we will pay for loss or damage is \$2,000, unless a higher limit is shown in the Declarations. This limit applies to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

f. Non-owned Detached Trailers

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to trailers that you do not own, provided that:
- (a) The trailer is used in your business;
 - (b) The trailer is in your care, custody or control at the premises described in the Declarations; and
 - (c) You have a contractual responsibility to pay for loss or damage to the trailer.
- (2) We will not pay for any loss or damage that occurs:
- (a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;
 - (b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.
- (3) The most we will pay for loss or damage under this Extension is \$5,000, unless a higher limit is shown in the Declarations.
- (4) This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

Each of these Extensions is additional insurance unless otherwise indicated. The Additional Condition, Coinsurance, does not apply to these Extensions.

B. EXCLUSIONS AND LIMITATIONS

See applicable Causes Of Loss Form as shown in the Declarations.

C. LIMITS OF INSURANCE

1. The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations.
2. The most we will pay for loss or damage to outdoor signs, whether or not the sign is attached to a building, is \$5,000, unless a higher limit is shown in the Declarations, per sign in any one occurrence.
3. The amounts of insurance stated in the following Additional Coverages apply in accordance with

the terms of such coverages and are in addition to the Limit(s) of Insurance shown in the Declarations for any other coverage, unless otherwise indicated:

- a. Fire Department Service Charge;
 - b. Pollutant Clean-up And Removal;
 - c. Electronic Data;
 - d. Fire Extinguisher Systems Recharge Expense;
 - e. Arson Reward;
 - f. Theft Reward; and
 - g. Rekeying of Locks.
4. Payments under the Preservation Of Property Additional Coverage will not increase the applicable Limit of Insurance.
5. **Your Business Personal Property Limit - Seasonal Increase**
- a. Subject to Paragraph 5.b. below, the Limit of Insurance for Your Business Personal Property is automatically increased by:
 - (1) The percentage shown in the Declarations for Your Business Personal Property - Seasonal Increase; or
 - (2) 25%, if no percentage is shown in the Declarations for Your Business Personal Property - Seasonal Increase to provide for seasonal variances.
 - b. The increase described above in Paragraph 5.a., will apply only if the Limit of Insurance shown for Your Business Personal Property in the Declarations is at least 100% of your average monthly values during the lesser of:
 - (1) The 12 months immediately preceding the date loss or damage occurs; or
 - (2) The period of time you have been in business as of the date the loss or damage occurs.

D. DEDUCTIBLE

The applicable Deductible shown in the Declarations will apply unless otherwise stated by endorsement.

In any one occurrence of loss or damage (hereinafter referred to as loss), the Deductible will apply as follows:

1. We will first reduce the amount of loss if required by the Coinsurance Condition or the Agreed Value Optional Coverage.
 - a. If the adjusted amount of loss is less than or equal to the Deductible, we will not pay for that loss.
 - b. If the adjusted amount of loss exceeds the Deductible, we will then subtract the Deductible from the adjusted amount of loss and

will pay the resulting amount or the Limit of Insurance, whichever is less.

2. If Paragraph 1., above does not apply:
 - a. If the amount of loss is less than or equal to the Deductible, we will not pay for that loss.
 - b. If the amount of loss exceeds the Deductible, we will then subtract the Deductible from the loss and will pay the resulting amount or the Limit of Insurance, whichever is less.
- When the occurrence involves loss to more than one item of Covered Property and separate Limits of Insurance apply, the losses will not be combined in determining application of the Deductible. However, the Deductible will be applied only once per occurrence.
3. No Deductible applies to the following Additional Coverages:
 - a. Fire Department Service Charge;
 - b. Fire Extinguisher Systems Recharge Expense;
 - c. Arson Reward;
 - d. Theft Reward; and
 - e. Rekeying of Locks.

In the following examples, the figures used are for illustrative purposes only and do not reflect your actual insurance.

The following examples assume there is no Coinsurance penalty.

EXAMPLE #1

Deductible:	\$ 250
Limit of Insurance - Building #1:	\$60,000
Limit of Insurance - Building #2:	\$80,000
Loss to Building #1:	\$60,100
Loss to Building #2:	\$90,000

The amount of loss to Building #1 (\$60,100) is less than the sum (\$60,250) of the Limit of Insurance applicable to Building #1 plus the Deductible.

The Deductible will be subtracted from the amount of loss in calculating the loss payable for Building #1:

$$\begin{array}{r}
 \$60,100 \\
 - \quad 250 \\
 \hline
 \$59,850 \text{ Loss Payable - Building \#1}
 \end{array}$$

The Deductible applies once per occurrence and therefore is not subtracted in determining the amount of loss payable for Building #2. Loss payable for Building #2 is the Limit of Insurance of \$80,000.

Total amount of loss payable:
\$59,850 + \$80,000 = \$139,850

EXAMPLE #2

The Deductible and Limits of Insurance are the same as those in Example #1.

Loss to Building #1: (Exceeds Limit of Insurance plus Deductible)	\$70,000
Loss to Building #2: (Exceeds Limit of Insurance plus Deductible)	\$90,000
Loss Payable – Building #1: (Limit of Insurance)	\$60,000
Loss Payable - Building #2: (Limit of Insurance)	\$80,000
Total amount of loss payable:	\$140,000

E. LOSS CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

1. Abandonment

There can be no abandonment of any property to us.

2. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

3. Duties In The Event Of Loss Or Damage

- a. You must see that the following are done in the event of loss or damage to Covered Property:
 - (1) Notify the police if a law may have been broken.
 - (2) Give us prompt notice of the loss or damage. Include a description of the property involved.
 - (3) As soon as possible, give us a description of how, when and where the loss or damage occurred.

- (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.

- (5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.

- (6) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

- (7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.

- (8) Cooperate with us in the investigation or settlement of the claim.

- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

4. Loss Payment

- a. In the event of loss or damage covered by this Coverage Form, at our option, we will either:
 - (1) Pay the value of lost or damaged property;
 - (2) Pay the cost of repairing or replacing the lost or damaged property, subject to b. below;
 - (3) Take all or any part of the property at an agreed or appraised value; or

- (4) Repair, rebuild or replace the property with other property of like kind and quality, subject to b. below.

We will determine the value of lost or damaged property, or the cost of its repair or replacement, in accordance with the applicable terms of the Valuation Condition in this Coverage Form or any applicable provision which amends or supersedes the Valuation Condition.

- b. The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.
- c. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- d. We will not pay you more than your financial interest in the Covered Property.
- e. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- f. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- g. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part and:
 - (1) We have reached agreement with you on the amount of loss; or
 - (2) An appraisal award has been made.
- h. A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the loss to the party wall based on your interest in the wall in proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the loss to the party wall, subject to all applicable policy provisions including Limits of Insurance, the Valuation and Coinsurance Conditions and all other provisions of this Loss Payment Condition. Our payment under the provisions of this paragraph does not alter any right of

subrogation we may have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of the Transfer Of Rights Of Recovery Against Others To Us Condition in this policy.

5. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice.

If you recover the property, at your option, you may retain the property. You must then return to us the amount we paid to you for the property less any expenses to repair the Covered Property and expenses incurred to recover the property. You may give us the recovered property in which case we will pay recovery expenses, subject to the Limit of Insurance.

If we recover the property, at your option, we may return the property to you. We will pay any recovery expenses, subject to the Limit of Insurance. We will also pay any expenses to repair the Covered Property, subject to the Limit of Insurance. However, before we return the Covered Property or pay for the repair of the Covered Property, you must first return to us the amount we paid to you for the property.

6. Vacancy

a. Description Of Terms

- (1) As used in this Vacancy Condition, the term building and the term vacant have the meanings set forth in (1)(a) and (1)(b) below:

- (a) When this policy is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.
- (b) When this policy is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is:
 - 1) Rented to a lessee or sub-lessee and used by the lessee or sub-lessee to conduct its customary operations; and/or
 - 2) Used by the building owner to conduct customary operations.

- (2) Buildings under construction or renovation are not considered vacant.

b. Vacancy Provisions

If the building where loss or damage occurs has been vacant for more than 60 consecutive days before that loss or damage occurs:

- (1) We will not pay for any loss or damage caused by any of the following even if they are Covered Causes of Loss:
 - (a) Vandalism;
 - (b) Sprinkler leakage, unless you have protected the system against freezing;
 - (c) Building glass breakage;
 - (d) Water damage;
 - (e) Theft; or
 - (f) Attempted theft.
- (2) With respect to Covered Causes of Loss other than those listed in **b.(1)(a)** through **b.(1)(f)** above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

7. Valuation

We will determine the value of Covered Property in the event of loss or damage as follows:

- a. At actual cash value as of the time of loss or damage, except as provided in **b.**, **c.**, **d.** and **e.** below.
- b. If the Limit of Insurance for Building satisfies the Additional Condition, Coinsurance, and the cost to repair or replace the damaged building property is \$2,500 or less, we will pay the cost of building repairs or replacement.

The cost of building repairs or replacement does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

However, the following property will be valued at the actual cash value even when attached to the building:

- (1) Awnings or floor coverings;
- (2) Appliances for refrigerating, ventilating, cooking, dishwashing or laundering; or
- (3) Outdoor equipment or furniture.
- c. "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.
- d. Glass at the cost of replacement with safety-glazing material if required by law.
- e. Tenants' Improvements and Betterments at:

- (1) Actual cash value of the lost or damaged property if you make repairs promptly.
- (2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:
 - (a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - (b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in the procedure.
- (3) Nothing if others pay for repairs or replacement.

F. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

1. Coinsurance

If a Coinsurance percentage is shown in the Declarations, the following condition applies:

- a. We will not pay the full amount of any loss if the value of Covered Property at the time of loss times the Coinsurance percentage shown for it in the Declarations is greater than the Limit of Insurance for the property.

Instead, we will determine the most we will pay using the following steps:

- (1) Multiply the value of Covered Property at the time of loss by the Coinsurance percentage;
- (2) Divide the Limit of Insurance of the property by the figure determined in Step (1);
- (3) Multiply the total amount of loss, before the application of any deductible, by the figure determined in Step (2); and
- (4) Subtract the deductible from the figure determined in Step (3).

We will pay the amount determined in Step (4) or the Limit of Insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

In the following examples, the figures used are for illustrative purposes only and do not reflect your actual insurance.

EXAMPLE #1 (UNDERINSURANCE)

When: The value of the property is: \$250,000
 The Coinsurance percentage for it is: 80%
 The Limit of Insurance for it is: \$100,000
 The Deductible is: \$ 250
 The amount of loss is: \$ 40,000

Step (1): $\$250,000 \times 80\% = \$200,000$
 (the minimum amount of insurance to meet your Co-insurance requirements)

Step (2): $\$100,000 \div \$200,000 = .50$

Step (3): $\$ 40,000 \times .50 = \$20,000$

Step (4): $\$20,000 - \$250 = \$19,750$

We will pay no more than \$19,750. The remaining \$20,250 is not covered.

EXAMPLE #2 (ADEQUATE INSURANCE)

When: The value of the property is: \$250,000
 The Coinsurance percentage for it is: 80%
 The Limit of Insurance for it is: \$200,000
 The Deductible is: \$ 250
 The amount of loss is: \$ 40,000

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 ($\$250,000 \times 80\%$). Therefore, the Limit of Insurance in this example is adequate and no penalty applies. We will pay no more than \$39,750 (\$40,000 amount of loss minus the deductible of \$250).

- b. If one Limit of Insurance applies to two or more separate items, this condition will apply to the total of all property to which the limit applies.

EXAMPLE #3

When: The value of the property is:
 Building at Location #1: \$ 75,000
 Building at Location #2: \$100,000
 Personal Property at Location #2: \$ 75,000
 \$250,000

The Coinsurance percentage for it is: 90%
 The Limit of Insurance for Buildings and Personal Property at Locations #1 and #2 is: \$180,000
 The Deductible is: \$ 1,000
 The amount of loss is:

Building at Location #2: \$ 30,000
 Personal Property at Location #2: \$ 20,000
 \$ 50,000

Step (1): $\$250,000 \times 90\% = \$225,000$
 (the minimum amount of insurance to meet your Co-insurance requirements and to avoid the penalty shown below)

Step (2): $\$180,000 \div \$225,000 = .80$

Step (3): $\$ 50,000 \times .80 = \$40,000$

Step (4): $\$ 40,000 - \$1,000 = \$39,000$

We will pay no more than \$39,000. The remaining \$11,000 is not covered.

2. Mortgageholders

- a. The term mortgageholder includes trustee.
- b. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.
- c. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:
 - (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
 - (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
 - (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.
 All of the terms of this Coverage Part will then apply directly to the mortgageholder.
- e. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:
 - (1) The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
 - (2) The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.
 At our option, we may pay to the mortgageholder the whole principal on the mortgage

plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

- f. If we cancel this policy, we will give written notice to the mortgageholder at least:
 - (1) 10 days before the effective date of cancellation if we cancel for your non-payment of premium; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- g. If we elect not to renew this policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

G. OPTIONAL COVERAGES

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item.

1. Agreed Value

- a. The Additional Condition, Coinsurance, does not apply to Covered Property to which this Optional Coverage applies. We will pay no more for loss of or damage to that property than the proportion that the Limit of Insurance under this Coverage Part for the property bears to the Agreed Value shown for it in the Declarations.
- b. If the expiration date for this Optional Coverage shown in the Declarations is not extended, the Additional Condition, Coinsurance, is reinstated and this Optional Coverage expires.
- c. The terms of this Optional Coverage apply only to loss or damage that occurs:
 - (1) On or after the effective date of this Optional Coverage; and
 - (2) Before the Agreed Value expiration date shown in the Declarations or the policy expiration date, whichever occurs first.

2. Inflation Guard

- a. The Limit of Insurance for property to which this Optional Coverage applied will automatically increase by the annual percentage shown in the Declarations.
- b. The amount of increase will be:
 - (1) The Limit of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Limit of Insurance, times
 - (2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), times

- (3) The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365.

In the following example, the figures used are for illustrative purposes only and do not reflect your actual insurance.

EXAMPLE

If: The applicable Limit of Insurance is: \$100,000
 The annual percentage increase is: 8%
 The number of days since the beginning of the policy year (or last policy change) is: 146
 The amount of increase is:
 $\$100,000 \times .08 \times 146 \div 365 = \$3,200$

3. Replacement Cost

- a. Replacement Cost (without deduction for depreciation) replaces Actual Cash Value in the Valuation Loss Condition of this Coverage Form.
- b. This Optional Coverage does not apply to:
 - (1) Personal property of others;
 - (2) Contents of a residence;
 - (3) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac; or
 - (4) "Stock", unless the Including "Stock" option is shown in the Declarations.
- c. Under the terms of this Replacement Cost Optional Coverage, tenants' improvements and betterments are not considered to be the personal property of others.
- d. You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim for the additional coverage this Optional Coverage provides if you notify us of your intent to do so within 180 days after the loss or damage.
- e. We will not pay on a replacement cost basis for any loss or damage:
 - (1) Until the lost or damaged property is actually repaired or replaced; and
 - (2) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

With respect to tenants' improvements and betterments, the following also apply:

- (3) If the conditions in d.(1) and d.(2) above are not met, the value of tenants' improvements and betterments will be determined as a proportion of your original cost, as set forth in the Valuation Loss Condition of this Coverage Form; and
- (4) We will not pay for loss or damage to tenants' improvements and betterments if others pay for repairs or replacement.
- e. We will not pay more for loss or damage on a replacement cost basis than the least of (1), (2) or (3), subject to f. below:
 - (1) The Limit of Insurance applicable to the lost or damaged property;
 - (2) The cost to replace the lost or damaged property with other property:
 - (a) Of comparable material and quality; and
 - (b) Used for the same purpose; or
 - (3) The amount actually spent that is necessary to repair or replace the lost or damaged property.

If a building is rebuilt at a new premises, the cost described in e.(2) above is limited to the cost which would have been incurred if the building had been rebuilt at the original premises.

- f. The cost of repair or replacement does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

4. Extension Of Replacement Cost To Personal Property Of Others

- a. If the Replacement Cost Optional Coverage is shown as applicable in the Declarations, then this Optional Coverage may also be shown as applicable. If the Declarations show this Optional Coverage as applicable, then Paragraph 3.b.(1) of the Replacement

Cost Optional Coverage is deleted and all other provisions of the Replacement Cost Optional Coverage apply to replacement cost on personal property of others.

- b. With respect to replacement cost on the personal property of others, the following limitation applies:
If an item(s) of personal property of others is subject to a written contract which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be based on the amount for which you are liable under such contract, but not to exceed the lesser of the replacement cost of the property or the applicable Limit of Insurance.

H. DEFINITIONS

1. "Electronic data" means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.
2. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
3. "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.

CAUSES OF LOSS - SPECIAL FORM

Words and phrases that appear in quotation marks have special meaning. Refer to DEFINITIONS in the Commercial Property Coverage Part.

A. COVERED CAUSES OF LOSS

When Special is shown in the Declarations, Covered Causes of Loss means Risks Of Direct Physical Loss unless the loss is:

1. Excluded in Section B., Exclusions; or
2. Limited in Section C., Limitations that follow.

B. EXCLUSIONS

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

a. Ordinance Or Law

The enforcement of any ordinance or law:

- (1) Regulating the construction, use or repair of any property; or
- (2) Requiring the tearing down of any property, including the cost of removing its debris.

This exclusion, Ordinance Or Law, applies whether the loss results from:

- (a) An ordinance or law that is enforced even if the property has not been damaged; or
- (b) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

b. Earth Movement

- (1) Earthquake, including any earth sinking, earth rising or earth shifting related to such event;
- (2) Landslide, including any earth sinking, earth rising or earth shifting related to such event;
- (3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
- (4) Earth sinking (other than sinkhole collapse), earth rising or earth shifting including soil conditions which cause settling, cracking or other disarrangement

of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

However, if Earth Movement, as described in b.(1) through (4) above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

(5) Volcanic eruption, explosion or effusion.

However, if volcanic eruption, explosion or effusion results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

Volcanic Action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- (a) Airborne volcanic blast or airborne shock waves;
- (b) Ash, dust or particulate matter; or
- (c) Lava flow.

All volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic Action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

c. Governmental Action

Seizure or destruction of property by order of governmental authority.

However, we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part.

d. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

However, if nuclear reaction or radiation, or radioactive contamination, results in fire, we

will pay for the loss or damage caused by that fire.

e. Utility Services

The failure of power, communication, water or other utility service supplied to the described premises, however caused, if the failure:

- (1) Originates away from the described premises; or
- (2) Originates at the described premises, but only if such failure involves equipment used to supply the utility service to the described premises from a source away from the described premises.

Failure of any utility service includes lack of sufficient capacity and reduction in supply. Loss or damage caused by a surge of power is also excluded, if the surge would not have occurred but for an event causing a failure of power.

However, if the failure or surge of power, or the failure of communication, water or other utility service, results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss. Communication services include but are not limited to service relating to Internet access or access to any electronic, cellular or satellite network.

f. War And Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

g. Water

- (1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);
- (2) Mudslide or mudflow;
- (3) Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;
- (4) Water under the ground surface pressing on, or flowing or seeping through:

- (a) Foundations, walls, floors or paved surfaces;
- (b) Basements, whether paved or not; or
- (c) Doors, windows or other openings; or

- (5) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph (1), (3) or (4), or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs g.(1) through (5) is caused by an act of nature or is otherwise caused.

However, if any of the above in Paragraphs g.(1) through (5), results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

h. "Fungi", Wet Rot Or Dry Rot

Presence, growth, proliferation, spread or any activity of "fungi", wet rot or dry rot.

However, if "fungi", wet rot or dry rot results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion does not apply:

1. When "fungi", wet rot or dry rot results from fire or lightning; or
2. To the extent that coverage is provided in the Additional Coverage - Limited Coverage For "Fungi", Wet Rot Or Dry Rot with respect to loss or damage by a cause of loss other than fire or lightning.

i. Virus Or Bacteria

We will not pay for loss or damage caused by or resulting from virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.

With respect to any loss or damage subject to this exclusion, such exclusion supersedes any exclusion relating to "pollutants".

Exclusions B.1.a. through B.1.i. apply whether or not the loss event results in widespread damage or affects a substantial area.

2. We will not pay for loss or damage caused by or resulting from any of the following:
 - a. Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, disrupts or otherwise interferes with any:
 - (1) Electrical or electronic wire, device, appliance, system or network; or

(2) Device, appliance, system or network utilizing cellular or satellite technology. For the purpose of this exclusion, electrical, magnetic or electromagnetic energy includes but is not limited to:

- (a) Electrical current, including arcing;
- (b) Electrical charge produced or conducted by a magnetic or electromagnetic field;
- (c) Pulse of electromagnetic energy; or
- (d) Electromagnetic waves or micro-waves.

However, if fire results, we will pay for the loss or damage caused by that fire.

- b. Delay, loss of use or loss of market.
- c. Smoke, vapor or gas from agricultural smudging or industrial operations.
- d. (1) Wear and tear;
- (2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
- (3) Smog;
- (4) Settling, cracking, shrinking or expansion;
- (5) Insects, birds, rodents or other animals;
- (6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. However, if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision; or
- (7) The following causes of loss to personal property:
 - (a) Dampness or dryness of atmosphere;
 - (b) Changes in or extremes of temperature; or
 - (c) Marring or scratching.

However, if an excluded cause of loss that is listed in 2.d.(1) through (7) results in a "specified cause of loss" or building glass breakage, we will pay for the loss or damage caused by that "specified cause of loss" or building glass breakage.

- e. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. However, if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or with-

in the flues or passages through which the gases of combustion pass.

- f. Continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more.
- g. Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:
 - (1) You do your best to maintain heat in the building or structure; or
 - (2) You drain the equipment and shut off the supply if the heat is not maintained.
- h. Dishonest or criminal act by you, any of your partners, members, officers, managers, employees (including leased employees), directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:
 - (1) Acting alone or in collusion with others; or
 - (2) Whether or not occurring during the hours of employment.

This exclusion does not apply to acts of destruction by your employees (including leased employees); but theft by employees (including leased employees) is not covered.
- i. Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- j. Rain, snow, ice or sleet to personal property in the open.
- k. Collapse, including any of the following conditions of property or any part of the property:
 - (1) An abrupt falling down or caving in;
 - (2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
 - (3) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to (1) or (2) above.

However, if collapse results in a Covered Cause of Loss at the described premises, we will pay for the loss or damage caused by that Covered Cause of Loss.

This exclusion, k., does not apply:

- (a) To the extent that coverage is provided under the Additional Coverage - Collapse; or

- (b) To collapse caused by one or more of the following:
 - 1) The "specified causes of loss";
 - 2) Breakage of building glass;
 - 3) Weight of rain that collects on a roof; or
 - 4) Weight of people or personal property.
- l. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". However, if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".
This exclusion, l., does not apply to damage to glass caused by chemicals applied to the glass.
- m. Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.
- 3. We will not pay for loss or damage caused by or resulting from any of the following, 3.a. through 3.c. However, if an excluded cause of loss that is listed in 3.a. through 3.c. results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.
 - a. Weather conditions. However, this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph 1. above to produce the loss or damage.
 - b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
 - c. Faulty, inadequate or defective:
 - (1) Planning, zoning, development, surveying, siting;
 - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - (3) Materials used in repair, construction, renovation or remodeling; or
 - (4) Maintenance of part or all of any property on or off the described premises.
- 4. **Special Exclusions**
The following provisions apply only to the specified Coverage Forms.
 - a. **Business Income (And Extra Expense) Coverage Form, Business Income (And Extra Expense) Actual Loss Sustained**

Coverage Form, Business Income (Without Extra Expense) Coverage Form, Or Extra Expense Coverage Form

We will not pay for:

- (1) Any loss caused by or resulting from:
 - (a) Damage or destruction of "finished stock"; or
 - (b) The time required to reproduce "finished stock".

This exclusion does not apply to Extra Expense.
- (2) Any loss caused by or resulting from direct physical loss or damage to radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers.
- (3) Any increase of loss caused by or resulting from:
 - (a) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
 - (b) Suspension, lapse or cancellation of any license, lease or contract. However, if the suspension, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such loss that affects your Business Income during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the Extended Business Income Additional Coverage and the Extended Period Of Indemnity Optional Coverage or any variation of these.
- (4) Any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration".
- (5) Any Extra Expense caused by or resulting from any delay in rebuilding, repairing or replacing the property or resuming "operations" due to an insufficiency of or failure to maintain adequate Limits of Insurance for Building or Business Personal Property.
- (6) Any other consequential loss.
- b. **Leasehold Interest Coverage Form**
 - (1) Paragraph B.1.a., Ordinance Or Law, does not apply to insurance under this Coverage Form.
 - (2) We will not pay for any loss caused by:

- (a) Your canceling the lease;
- (b) The suspension, lapse or cancellation of any license; or
- (c) Any other consequential loss.

c. Legal Liability Coverage Form

(1) The following exclusions do not apply to insurance under this Coverage Form:

- (a) Paragraph **B.1.a.**, Ordinance Or Law;
- (b) Paragraph **B.1.c.**, Governmental Action;
- (c) Paragraph **B.1.d.**, Nuclear Hazard;
- (d) Paragraph **B.1.e.**, Utility Services; and
- (e) Paragraph **B.1.f.**, War And Military Action.

(2) The following additional exclusions apply to insurance under this Coverage Form:

(a) Contractual Liability

We will not defend any claim or "suit", or pay damages that you are legally liable to pay, solely by reason of your assumption of liability in a contract or agreement. However, this exclusion does not apply to a written lease agreement in which you have assumed liability for building damage resulting from an actual or attempted burglary or robbery, provided that:

- 1) Your assumption of liability was executed prior to the accident; and
- 2) The building is Covered Property under this Coverage Form.

(b) Nuclear Hazard

We will not defend any claim or "suit", or pay any damages, loss, expense or obligation, resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

5. Additional Exclusion

The following provisions apply only to the specified property.

LOSS OR DAMAGE TO PRODUCTS

We will not pay for loss or damage to any merchandise, goods or other product caused by or resulting from error or omission by any person or entity (including those having possession under an arrangement where work or a portion of the work is outsourced) in any stage of the development, production or use of the product, including planning, testing, processing, packaging, installation, maintenance or repair. This ex-

clusion applies to any effect that compromises the form, substance or quality of the product. However, if such error or omission results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

C. LIMITATIONS

The following limitations apply to all policy forms and endorsements, unless otherwise stated.

- 1. We will not pay for loss of or damage to property, as described and limited in this section. In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.
 - a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. However, we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
 - b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.
 - c. The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
 - (1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
 - (2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.
 - d. Building materials and supplies not attached as part of the building or structure, caused by or resulting from theft. However, this limitation does not apply to:
 - (1) Building materials and supplies held for sale by you, unless they are insured under the Builders Risk Coverage Form; or
 - (2) Business Income Coverage or Extra Expense Coverage.
 - e. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.

- f. Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.
- 2. We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:
 - a. Animals, and then only if they are killed or their destruction is made necessary.
 - b. Fragile articles such as statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:
 - (1) Glass; or
 - (2) Containers of property held for sale.
 - c. Builders' machinery, tools and equipment owned by you or entrusted to you, provided such property is Covered Property. However, this limitation does not apply:
 - (1) If the property is located on or within 1,000 feet of the described premises, unless the premises is insured under the Builders Risk Coverage Form; or
 - (2) To Business Income Coverage or to Extra Expense Coverage.
- 3. The special limit shown for each category, a. through d., is the total limit for loss of or damage to all property in that category. The special limit applies to any one occurrence of theft, regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are:
 - a. \$2,500 for furs, fur garments and garments trimmed with fur.
 - b. \$5,000 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$500 or less per item.
 - c. \$2,500 for patterns, dies, molds and forms.
 - d. \$500 for stamps, tickets, including lottery tickets held for sale, and letters of credit.
 These special limits are part of, not in addition to, the Limit of Insurance applicable to the Covered Property. This limitation, C.3., does not apply to Business Income Coverage or to Extra Expense Coverage.
- 4. We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. However, we will pay the cost to repair or replace damaged parts of fire-extinguishing equipment if the damage:

- a. Results in discharge of any substance from an automatic fire protection system; or
 - b. Is directly caused by freezing.
- However, this limitation does not apply to Business Income Coverage or to Extra Expense Coverage.

D. ADDITIONAL COVERAGE - COLLAPSE

The coverage provided under this Additional Coverage - Collapse applies only to an abrupt collapse as described and limited in D.1. through D.7.

- 1. For the purpose of this Additional Coverage - Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.
- 2. We will pay for direct physical loss or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that is insured under this Coverage Form or that contains Covered Property insured under this Coverage Form, if such collapse is caused by one or more of the following:
 - a. Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
 - b. Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
 - c. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation.
 - d. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling or renovation is complete, but only if the collapse is caused in part by:
 - (1) A cause of loss listed in 2.a. or 2.b.;
 - (2) One or more of the "specified causes of loss";
 - (3) Breakage of building glass;
 - (4) Weight of people or personal property; or
 - (5) Weight of rain that collects on a roof.
- 3. This **Additional Coverage - Collapse** does not apply to:
 - a. A building or any part of a building that is in danger of falling down or caving in;
 - b. A part of a building that is standing, even if it has separated from another part of the building; or
 - c. A building that is standing or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging,

bending, leaning, settling, shrinkage or expansion.

4. With respect to the following property:
 - a. Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;
 - b. Awnings, gutters and downspouts;
 - c. Yard fixtures;
 - d. Outdoor swimming pools;
 - e. Fences;
 - f. Piers, wharves and docks;
 - g. Beach or diving platforms or appurtenances;
 - h. Retaining walls; and
 - i. Walks, roadways and other paved surfaces
 if an abrupt collapse is caused by a cause of loss listed in 2.a. through 2.d., we will pay for loss or damage to that property only if:
 - (1) Such loss or damage is a direct result of the abrupt collapse of a building insured under this Coverage Form; and
 - (2) The property is Covered Property under this Coverage Form.
5. If personal property abruptly falls down or caves in and such collapse is **not** the result of abrupt collapse of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:
 - a. The collapse of personal property was caused by a cause of loss listed in 2.a. through 2.d.;
 - b. The personal property which collapses is inside a building; and
 - c. The property which collapses is not of a kind listed in 4., regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph 5. does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

6. This Additional Coverage - Collapse does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
 7. This Additional Coverage - Collapse will not increase the Limits of Insurance provided in this Coverage Part.
 8. The term Covered Cause of Loss includes the Additional Coverage - Collapse as described and limited in D.1. through D.7.
- E. ADDITIONAL COVERAGE - LIMITED COVERAGE FOR "FUNGI", WET ROT OR DRY ROT**

1. The coverage described in E.2. and E.6. only applies when the "fungi", wet rot or dry rot is the result of a "specified cause of loss" other than fire or lightning that occurs during the policy term and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence.
2. We will pay for loss or damage by "fungi", wet rot or dry rot. As used in this Limited Coverage, the term loss or damage means:
 - a. Direct physical loss or damage to Covered Property caused by "fungi", wet rot or dry rot, including the cost of removal of the "fungi", wet rot or dry rot;
 - b. The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungi", wet rot or dry rot; and
 - c. The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungi", wet rot or dry rot are present.
3. The coverage described under E.2. of this Limited Coverage is limited to 10% of the building or personal property limit of insurance, whichever is greater, subject to a maximum of \$100,000 and a minimum of \$15,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) which take place in a 12-month period (starting with the beginning of the present annual policy term). With respect to a particular occurrence of loss which results in "fungi", wet rot or dry rot, we will not pay more than this limit even if the "fungi", wet rot or dry rot continues to be present or active, or recurs, in a later policy term.
4. The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungi", wet rot or dry rot, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property. If there is covered loss or damage to Covered Property, not caused by "fungi", wet rot or dry rot, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "fungi", wet rot or dry rot causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.

5. The terms of this Limited Coverage do not increase or reduce the coverage provided under Paragraph F.2. (Water Damage, Other Liquids, Powder Or Molten Material Damage) of this Causes Of Loss Form or under the Additional Coverage - Collapse.
6. The following, 6.a. or 6.b., applies only if Business Income and/or Extra Expense Coverage applies to the described premises and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable Business Income and/or Extra Expense Coverage Form.
 - a. If the loss which resulted in "fungi", wet rot or dry rot does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to loss or damage to property caused by "fungi", wet rot or dry rot, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 45 days. The days need not be consecutive.
 - b. If a covered "suspension" of "operations" was caused by loss or damage other than "fungi", wet rot or dry rot but remediation of "fungi", wet rot or dry rot prolongs the "period of restoration", we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), however, such coverage is limited to 45 days. The days need not be consecutive.

F. ADDITIONAL COVERAGE EXTENSIONS

1. Property In Transit

This Extension applies only to your personal property to which this form applies.

- a. You may extend the insurance provided by this Coverage Part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 1,000 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.
- b. Loss or damage must be caused by or result from one of the following causes of loss:
 - (1) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.
 - (2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the roadbed.

- (3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.

- c. The most we will pay for loss or damage under this Extension is \$5,000, unless a higher limit is shown in the Declarations. This Coverage Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

2. Water Damage, Other Liquids, Powder Or Molten Material Damage

If loss or damage caused by or resulting from covered water or other liquid, powder or molten material occurs, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes. This Coverage Extension does not increase the Limit of Insurance.

3. Glass

- a. We will pay for expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed.
- b. We will pay for expenses incurred to remove or replace obstructions when repairing or replacing glass that is part of a building. This does not include removing or replacing window displays.

This Coverage Extension, F.3., does not increase the Limit of Insurance.

G. DEFINITIONS

1. "Fungi" means any type or form of fungus, including, but not limited to, any mold, mildew, mycotoxins, spores, scents or by-products produced or released by any type or form of fungus.
2. "Specified causes of loss" means the following: fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire-extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.
 - a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:
 - (1) The cost of filling sinkholes; or
 - (2) Sinking or collapse of land into man-made underground cavities.
 - b. Falling objects does not include loss or damage to:

- (1) Personal property in the open; or
- (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
- c. Water damage means accidental discharge or leakage of water or steam as the direct

result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the described premises and contains water or steam.

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BUSINESS INCOME (AND EXTRA EXPENSE) ACTUAL LOSS SUSTAINED COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section C., DEFINITIONS. The descriptions in the headings of this Coverage Form and all applicable endorsements are solely for convenience and form no part of the terms and conditions of coverage.

A. COVERAGE

1. Business Income

a. Business Income means the:

- (1) Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
- (2) Continuing normal operating expenses incurred, including payroll.

For manufacturing risks, Net Income includes the net sales value of production.

b. We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property at premises which are described in the Declarations and for which ACTUAL LOSS SUSTAINED is shown in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 1,000 feet of the site at which the described premises are located.

With respect to the requirements set forth in the preceding paragraph, if you occupy only part of the site at which the described premises are located, your premises means:

- (1) The portion of the building which you rent, lease or occupy; and
- (2) Any area within the building or on the site at which the described premises are located, if that area services, or is used to gain access to, the described premises.

c. We will only pay for loss of Business Income that you sustain during the "period of restoration" and that occurs within the number of months shown in the Declarations after the date of direct physical loss or damage.

2. Extra Expense

a. Extra Expense Coverage is provided at the premises described in the Declarations only if the Declarations show that Business Income Coverage applies at that premises.

b. Extra Expense means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.

We will pay Extra Expense (other than the expense to repair or replace property) to:

- (1) Avoid or minimize the "suspension" of business and to continue operations at the described premises or at replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location.
- (2) Minimize the "suspension" of business if you cannot continue "operations".

We will also pay Extra Expense to repair or replace property, but only to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Form.

We will only pay for Extra Expense that occurs within the number of months shown in the Declarations after the date of direct physical loss or damage.

3. Covered Causes Of Loss, Exclusions And Limitations

See applicable Causes Of Loss Form as shown in the Declarations.

4. Additional Limitation - Interruption Of Computer Operations

- a. Coverage for Business Income does not apply when a "suspension" of "operations" is caused by destruction or corruption of "electronic data", or any loss or damage to "electronic data", except as provided under the Additional Coverage - Interruption Of Computer Operations.
- b. Coverage for Extra Expense does not apply when action is taken to avoid or minimize a "suspension" of "operations" caused by destruction or corruption of "electronic data", or any loss or damage to "electronic data", except as provided under the Additional Coverage - Interruption Of Computer Operations.

5. Additional Coverages**a. Civil Authority**

In this Additional Coverage - Civil Authority, the described premises are premises to which this Coverage Form applies, as shown in the Declarations.

When a Covered Cause of Loss causes damage to property other than property at the described premises, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:

- (1) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the described premises are within that area but are not more than one mile from the damaged property; and
- (2) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority Coverage for Business Income will begin immediately following the time of the first action of civil authority that prohibits access to the described premises; however, if a waiting period is shown in the Declarations, then after such period

following the time of the first action of civil authority that prohibits access to the described premises.

Civil Authority Coverage for Business Income will apply for a period of up to four consecutive weeks from the date on which such coverage began.

Civil Authority coverage for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the described premises and will end:

- (1) Four consecutive weeks after the date of that action; or
 - (2) When your Civil Authority Coverage for Business Income ends
- whichever is later.

b. Alterations And New Buildings

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur, subject to **A.1.** and **2.** above, due to direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss to:

- (1) New buildings or structures, whether complete or under construction;
- (2) Alterations or additions to existing buildings or structures; and
- (3) Machinery, equipment, supplies or building materials located on or within 1,000 feet of the described premises and:
 - (a) Used in the construction, alterations or additions; or
 - (b) Incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of "operations", the "period of restoration" for Business Income Coverage will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred.

c. Extended Business Income

If the necessary "suspension" of your "operations" produces a Business Income loss payable under this policy, we will pay for the actual loss of Business Income you incur during the period that:

- (1) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
- (2) Ends on the earlier of:
 - (a) The date you could restore your "operations", with reasonable speed, to the level which would generate the business income

amount that would have existed if no direct physical loss or damage had occurred; or

- (b) 30 consecutive days after the date determined in (1) above, unless a greater number of consecutive days is shown in the Declarations.

However, Extended Business Income does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

d. Interruption Of Computer Operations

- (1) Subject to all provisions of this Additional Coverage, you may extend the insurance that applies to Business Income and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of "electronic data" due to a Covered Cause of Loss.

- (2) With respect to the coverage provided under this Additional Coverage, the Covered Causes of Loss are subject to the following:

- (a) If the Causes Of Loss - Special Form applies, coverage under this Additional Coverage - Interruption Of Computer Operations is limited to the "specified causes of loss" as defined in that form, and Collapse as set forth in that form.
- (b) If the Causes Of Loss - Broad Form applies, coverage under this Additional Coverage - Interruption Of Computer Operations includes Collapse as set forth in that form.
- (c) If the Causes Of Loss Form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage - Interruption Of Computer Operations.
- (d) The Covered Causes of Loss include a computer virus, harmful code or similar instruction introduced into or enacted on a computer system (including "electronic data") or a network to which it is connected, designed to damage or

destroy any part of the system or disrupt its normal operation. However, there is no coverage for an interruption related to manipulation of a computer system (including "electronic data") by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, maintain, repair or replace that system.

- (3) The most we will pay under this Additional Coverage - Interruption Of Computer Operations, for all loss sustained and expense incurred in any one policy year, regardless of the number of interruptions or the number of premises, locations or computer systems involved is \$10,000, unless a higher limit is shown in the Declarations, subject to the following:

- (a) If at the time of interruption, the computer system is equipped with active virus scanning or anti-virus software, this entire amount is available.
- (b) If at the time of interruption, the computer system is not equipped with active virus scanning or anti-virus software, payment will be limited to \$2,500 for that occurrence.

If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for loss or expense sustained or incurred as a result of subsequent interruptions in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in the next policy year. With respect to any interruption which begins in one policy year and continues or results in additional loss or expense in a subsequent policy year(s), all loss and expense is deemed to be sustained or incurred in the policy year in which the interruption began.

- (4) This Additional Coverage - Interruption Of Computer Operations does not apply to loss sustained or expense incurred after the end of the "period of restoration", even if the amount of insurance stated in (3) above has not been exhausted.

6. Coverage Extension

You may extend the insurance provided by this Coverage Part as follows:

NEWLY ACQUIRED LOCATIONS

- a. You may extend your Business Income and Extra Expense Coverages to apply to property at any location you acquire other than fairs or exhibitions, if the location you acquire is intended for:
 - (1) Similar use as the location described in the Declarations; or
 - (2) Use as a warehouse.
- b. The most we will pay under this extension for the sum of Business Income loss and Extra Expense incurred, is \$100,000 at each location.
- c. Insurance under this Extension for each newly acquired location will end when any of the following first occurs:
 - (1) This policy expires;
 - (2) 60 days expire after you acquire or begin to construct the property; or
 - (3) You report values to us.
 We will charge you additional premium for values reported from the date you acquire the property.

B. LOSS CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

1. Appraisal

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

2. Duties In The Event Of Loss

- a. You must see that the following are done in the event of loss:
 - (1) Notify the police if a law may have been broken.
 - (2) Give us prompt notice of the direct physical loss or damage. Include a description of the property involved.

- (3) As soon as possible, give us a description of how, when, and where the direct physical loss or damage occurred.
 - (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
 - (5) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records. Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
 - (6) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
 - (7) Cooperate with us in the investigation or settlement of the claim.
 - (8) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.
 - b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.
- 3. Loss Determination**
- a. The amount of Business Income loss will be determined based on:
 - (1) The Net Income of the business before the direct physical loss or damage occurred;
 - (2) The likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the

Covered Cause of Loss on customers or on other businesses;

- (3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and

- (4) Other relevant sources of information, including:

- (a) Your financial records and accounting procedures;
- (b) Bills, invoices and other vouchers; and
- (c) Deeds, liens or contracts.

- b. The amount of Extra Expense will be determined based on:

- (1) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:

- (a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
- (b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and

- (2) Necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

c. Resumption Of Operations

We will reduce the amount of your:

- (1) Business Income loss, other than Extra Expense, to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere.
- (2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

- d. If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

4. Loss Payment

We will pay for covered loss within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part and:

- a. We have reached agreement with you on the amount of loss; or
- b. An appraisal award has been made.

C. DEFINITIONS

1. "Electronic data" means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.
 2. "Finished stock" means stock you have manufactured.
"Finished stock" also includes whiskey and alcoholic products being aged.
"Finished stock" does not include stock you have manufactured that is held for sale on the premises of any retail outlet insured under this Coverage Part.
 3. "Operations" means your business activities occurring at the described premises.
 4. "Period of restoration" means the period of time that:
 - a. Begins:
 - (1) Immediately following the time of direct physical loss or damage; however, if a waiting period is shown in the Declarations, then after such period following the time of direct physical loss or damage for Business Income Coverage; or
 - (2) Immediately following the time of direct physical loss or damage for Extra Expense Coverage
caused by or resulting from any Covered Cause of Loss at the described premises; and
 - b. Ends on the earlier of:
 - (1) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - (2) The date when business is resumed at a new permanent location.
- "Period of restoration" does not mean any increased period required due to the enforcement of any ordinance or law that:
- (1) Regulates the construction, use or repair, or requires the tearing down of any property; or

- (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".

The expiration date of this policy will not shorten or cause the "period of restoration" to terminate.

5. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and

waste. Waste includes materials to be recycled, reconditioned or reclaimed.

6. "Suspension" means:

- a. The slowdown or cessation of your business activities; or
- b. That a part or all of the described premises is rendered untenable, if coverage for Business Income applies.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ORDINANCE OR LAW COVERAGE

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CAUSES OF LOSS - SPECIAL FORM
CAUSES OF LOSS - BROAD FORM
CAUSES OF LOSS - BASIC FORM

- A.** Each Coverage - Coverage **A**, Coverage **B**, Coverage **C** and Coverage **D** - of Section **E. Coverages** below, is provided under this endorsement only if a Limit of Insurance for that Coverage(s) is shown in the Declarations and then only with respect to the building identified for that Coverage(s) in the Declarations.
- B.** The following provisions do not apply to the extent that they conflict with the coverage provided by this endorsement only:
- 1.** BUILDING AND PERSONAL PROPERTY COVERAGE FORM:
 - a.** **E. LOSS CONDITIONS:**
 - (1) **4. Loss Payment, b.;** and
 - (2) **7. Valuation, b.,** second paragraph; and
 - b.** **G. OPTIONAL COVERAGES, 3. Replacement Cost, f.**
 - 2.** CONDOMINIUM ASSOCIATION COVERAGE FORM:
 - a.** **E. LOSS CONDITIONS:**
 - (1) **4. Loss Payment, b.;** and
 - (2) **8. Valuation, b.,** second paragraph; and
 - b.** **G. OPTIONAL COVERAGES, 3. Replacement Cost, f.**
 - 3.** Section **B. EXCLUSIONS, 1.a.** of CAUSES OF LOSS - SPECIAL, BROAD and BASIC FORMS.
- C. Application Of Coverage(s)**
The Coverage(s) provided by this endorsement apply only if both **C.1.** and **C.2.** are satisfied and are then subject to the qualifications set forth in **C.3.**
- 1.** The ordinance or law:
 - a.** Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
 - b.** Is in force at the time of loss.

However, coverage under this endorsement applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered under this endorsement.

- 2. a.** The building sustains direct physical damage that is covered under this policy and such damage results in enforcement of the ordinance or law; or
 - b.** The building sustains both direct physical damage that is covered under this policy and direct physical damage that is not covered under this policy, and the building damage in its entirety results in enforcement of the ordinance or law.
 - c.** However, if the building sustains direct physical damage that is not covered under this policy, and such damage is the subject of the ordinance or law, then there is no coverage under this endorsement even if the building has also sustained covered direct physical damage.
 - 3.** In the situation described in **C.2.b.** above, we will not pay the full amount of loss otherwise payable under the terms of Coverages **A, B, C** and/or **D** of this endorsement. Instead, we will pay a proportion of such loss, meaning the proportion that the covered direct physical damage bears to the total direct physical damage. However, if the covered direct physical damage, alone, would have resulted in enforcement of the ordinance or law, then we will pay the full amount of loss otherwise payable under the terms of Coverages **A, B, C** and/or **D** of this endorsement.
- D.** We will not pay under Coverage **A, B, C** or **D** of this endorsement for:

1. Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungi", wet rot or dry rot; or
2. The costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungi", wet rot or dry rot.

E. Coverages

1. Coverage A - Coverage For Loss To The Undamaged Portion Of The Building

With respect to a covered building that has sustained covered direct physical damage, we will pay under Coverage A for the loss in value of the undamaged portion of the building as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building.

Coverage A is included within the Limit of Insurance shown in the Declarations as applicable to the covered building. Coverage A does not increase the Limit of Insurance.

The Coinsurance Additional Condition does not apply to the undamaged portion of the building when the Limit of Insurance shown in the Declarations for Coverage A is less than the applicable building Limit of Insurance shown in the Declarations.

2. Coverage B - Demolition Cost Coverage

With respect to a covered building that has sustained covered direct physical damage, we will pay the cost to demolish and clear the site of undamaged parts of the same building, as a consequence of enforcement of an ordinance or law that requires Demolition of such undamaged property.

The Coinsurance Additional Condition does not apply to Demolition Cost Coverage.

3. Coverage C - Increased Cost Of Construction Coverage

a. With respect to a covered building that has sustained covered direct physical damage, we will pay the increased cost to:

- (1) Repair or reconstruct damaged portions of that building; and/or
- (2) Reconstruct or remodel undamaged portions of that building, whether or not demolition is required

when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.

However:

(1) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.

(2) We will not pay for the increased cost of construction if the building is not repaired, reconstructed or remodeled.

The Coinsurance Additional Condition does not apply to Increased Cost of Construction Coverage.

b. When a building is damaged or destroyed and Coverage C applies to that building in accordance with 3.a. above, coverage for the increased cost of construction also applies to repair or reconstruction of the following, subject to the same conditions stated in 3.a.:

(1) The cost of excavations, grading, backfilling and filling;

(2) Foundation of the building;

(3) Pilings; and

(4) Underground pipes, flues and drains.

The items listed in b.(1) through b.(4) above are deleted from Property Not Covered, but only with respect to the coverage described in this Provision, 3.b.

4. Coverage D - Tenant's Improvements and Betterments

With respect to your use interest as tenant in improvements and betterments that have sustained covered direct physical damage, we will pay the increased cost to repair or reconstruct damaged portions of those improvements and betterments when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.

The Coinsurance Additional Condition does not apply to Tenant's Improvements and Betterments.

F. Loss Payment

1. All following loss payment Provisions, F.2.

through F.5., are subject to the apportionment procedures set forth in Section C.3. of this endorsement.

2. When there is a loss in value of an undamaged portion of a building to which Coverage A applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:

a. If the Replacement Cost Coverage Option applies and the property is being repaired or replaced, on the same or another premises, we will not pay more than the lesser of:

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- (1) The amount you would actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or
- (2) The Limit of Insurance for Coverage A shown in the Declarations as applicable to the covered building.
- b. If the Replacement Cost Coverage Option applies and the property is **not** repaired or replaced, or if the Replacement Cost Coverage Option does **not** apply, we will not pay more than the lesser of:
 - (1) The actual cash value of the building at the time of loss; or
 - (2) The Limit of Insurance for Coverage A shown in the Declarations as applicable to the covered building.
- 3. Loss payment under Coverage B - Demolition Cost Coverage will be determined as follows: We will not pay more than the lesser of the following:
 - a. The amount you actually spend to demolish and clear the site of the described premises; or
 - b. The applicable Limit of Insurance shown for Coverage B in the Declarations.
- 4. Loss payment under Coverage C - Increased Cost of Construction Coverage will be determined as follows:
 - a. We will not pay under Coverage C:
 - (1) Until the property is actually repaired or replaced, at the same or another premises; and
 - (2) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
 - b. If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay under Coverage C is the lesser of:
 - (1) The increased cost of construction at the same premises; or
 - (2) The applicable Limit of Insurance shown for Coverage C in the Declarations.
 - c. If the ordinance or law requires relocation to another premises, the most we will pay under Coverage C is the lesser of:
 - (1) The increased cost of construction at the new premises; or
 - (2) The applicable Limit of Insurance shown for Coverage C in the Declarations.
- 5. Loss payment under Coverage D - Tenant's Improvements and Betterments will be determined as follows:
 - a. We will not pay under Coverage D:
 - (1) Until the property is actually repaired or replaced, at the same or another premises; and
 - (2) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
 - b. If the improvements and betterments are repaired or replaced at the same premises, or if you elect to rebuild the improvements and betterments at another premises, the most we will pay under Coverage D is the lesser of:
 - (1) The increased cost of construction at the same premises; or
 - (2) The applicable Limit of Insurance shown for Coverage D in the Declarations.
 - c. If the ordinance or law requires relocation to another premises, the most we will pay under Coverage D is the lesser of:
 - (1) The increased cost of construction at the new premises; or
 - (2) The applicable Limit of Insurance shown for Coverage D in the Declarations.
- G. The terms of this endorsement apply separately to each building to which this endorsement applies.
- H. Under this endorsement we will not pay for loss due to any ordinance or law that:
 - 1. You were required to comply with before the loss, even if the building was undamaged; and
 - 2. You failed to comply with.
- I. The following definition is added: "Fungi" means any type or form of fungus, including but not limited to, mold, mildew, mycotoxins, spores, scents or by-products produced or released by any type or form of fungus.

All other policy terms and conditions apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL PROPERTY CONDITIONS

This Coverage Part is subject to the following conditions, the Common Policy Conditions and applicable Loss Conditions and Additional Conditions in Commercial Property Coverage Forms.

A. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Part is void in any case of fraud by you as it relates to this Coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

B. CONTROL OF PROPERTY

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

C. INSURANCE UNDER TWO OR MORE COVERAGES

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

D. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and

2. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

E. LIBERALIZATION

If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

F. NO BENEFIT TO BAILEE

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

G. OTHER INSURANCE

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

H. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Part:

1. We cover loss or damage commencing:

a. During the policy period shown in the Declarations; and

b. Within the coverage territory.

2. The coverage territory is:

a. The United States of America (including its territories and possessions);

b. Puerto Rico; and

c. Canada.

I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything neces-

sary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a loss to your Covered Property or Covered Income.

2. After a loss to your covered Property or Covered Income only if, at time of loss, that party is one of the following:

a. Someone insured by this insurance;

b. A business firm:

(1) Owned or controlled by you; or

(2) That owns or controls you; or

c. Your tenant.

This will not restrict your insurance.

55029 (5-17)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ASBESTOS EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SECTION I - COVERAGES is amended.

1. COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions is amended. The following exclusion is added.

This insurance does not apply to:

Any claim, "suit", action or proceeding against any insured arising out of the discharge, dispersal, release, escape or inhalation of any asbestos-related particles, dust, irritants, contaminants, "pollutants", toxic elements or materials.

2. COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY, 2. Exclusions is amended.

The following exclusion is added.

This insurance does not apply to:

Any claim, "suit", action or proceeding against any insured arising out of the discharge, dispersal,

release, escape or inhalation of any asbestos-related particles, dust, irritants, contaminants, "pollutants", toxic elements or materials.

3. COVERAGE C - MEDICAL PAYMENTS, 2.

Exclusions is amended. The following exclusion is added.

We will not pay expenses for "bodily injury":

For any claim, "suit", action or proceeding against any insured arising out of the discharge, dispersal, release, escape or inhalation of any asbestos-related particles, dust, irritants, contaminants, "pollutants", toxic elements or materials.

All other policy terms and conditions apply.

55885 (5-17)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT OF GENERAL AGGREGATE LIMIT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

It is agreed:

SECTION III – LIMITS OF INSURANCE is amended.

The following provision is added.

Beginning with the effective date of this policy, we will provide twice the General Aggregate Limit (other than Products-Completed Operations), shown in the Declarations.

If this policy is written for more than one 12 month period, the General Aggregate Limit for each 12

month period shall never exceed twice the General Aggregate Limit shown in the Declarations. The General Aggregate Limit applies separately to each 12 month period starting with the beginning of the policy period shown in the Declarations.

All other policy terms and conditions apply.

55885 (5-17)

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**COMMERCIAL GENERAL LIABILITY
55146 (6-04)**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

UPSET AND OVERSPRAY COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

It is agreed the coverage for "property damage" liability with respect to your operations is extended as follows:

1. COVERAGE

We will pay those sums which you become legally obligated to pay for "property damage" caused directly by immediate, abrupt and accidental:

- a. Upset, overturn or collision of your "mobile equipment" while transporting; or
- b. "Overspray" during your application or dispersal of

"pollutants" which are intended for and normally used in your operations. The operations must be in compliance with local, state, and federal ordinances and laws.

This is not an additional amount of insurance and does not increase the Limits of Insurance stated in the Declarations.

2. EXCLUSIONS

- a. With regard only to the coverage provided by this endorsement, Exclusion f. of **Section I - Coverage A - Bodily Injury And Property Damage Liability** is deleted and replaced by the following:

f. Pollution

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants".

However, this paragraph does not apply to liability for damages because of covered "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

- b. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability:

This coverage does not apply to "overspray" resulting from aerial application or dispersal of "pollutants".

3. DEDUCTIBLE

Any deductible provision of the policy which is applicable to Property Damage Liability coverage applies to this coverage extension.

4. DEFINITIONS

The following definition applies in addition to those in the policy.

"Overspray" means spray, from a device specifically designed for spray application or dispersal, that goes beyond the entire area of intended application or dispersal.

All other policy terms and conditions apply.

55352 (5-17)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL GENERAL LIABILITY PLUS COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- 1. EXTENDED WATERCRAFT LIABILITY**
SECTION I - COVERAGES, COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions is amended. Exclusion **g.(2)** is deleted and replaced by the following exclusion.

- (2) A watercraft you do not own that is:
- (a) Less than 50 feet long; and
 - (b) Not being used to carry persons or property for a charge;

- 2. BROADENED SUPPLEMENTARY PAYMENTS**
SUPPLEMENTARY PAYMENTS - COVERAGES A AND B, Paragraph 1.d. is amended.
The amount we will pay for the actual loss of earnings is increased from \$250 per day to \$400 per day.

- 3. ADDITIONAL PRODUCTS-COMPLETED OPERATIONS AGGREGATE LIMIT**
If the endorsement, **EXCLUSION - PRODUCTS COMPLETED OPERATIONS HAZARD, CG 21 04**, is not attached to this policy, then the following provision is added to **SECTION III - LIMITS OF INSURANCE**.

Commencing with the effective date of this policy, we will provide one additional Products-Completed Operations Aggregate Limit, for each annual period, equal to the amount of the Products-Completed Operations Aggregate Limit shown in the Declarations. The maximum Products-Completed Operations Aggregate Limit for any annual period will be no more than two times the original Products-Completed Operations Aggregate Limit.

- 4. PERSONAL INJURY EXTENSION**
- a. If the endorsement **EXCLUSION - PERSONAL AND ADVERTISING INJURY, CG 21 28**, is attached to this policy, then this provision, **4. PERSONAL INJURY EXTENSION**, does not apply.
 - b. If the endorsement **EXCLUSION - PERSONAL AND ADVERTISING INJURY, CG 21 28**, is not attached to this policy, then **SECTION V - DEFINITIONS** is amended. Paragraph **14. "Personal and advertising injury"** is deleted and replaced by the following definition.
14. "Personal and advertising injury" means injury including consequential "bodily injury",

arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies by or on behalf of its owner, landlord or lessor;
 - d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - e. Oral or written publication of material, in any manner, that violates a person's right of privacy;
 - f. The use of another's advertising idea in your "advertisement";
 - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement"; or
 - h. Discrimination, humiliation, sexual harassment and any violation of civil rights caused by such discrimination, humiliation or sexual harassment.
- 5. BROADENED KNOWLEDGE OF OCCURRENCE**
SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, 2. Duties In The Event Of Occurrence, Offense, Claim Or Suit is amended. The following condition is added.
- a. Paragraphs **a.** and **b.** of this condition will not serve to deny any claim for failure to provide us with notice as soon as practicable after an "occurrence" or an offense which may result in a claim:
 - (1) If the notice of a new claim is given to your "employee"; and
 - (2) That "employee" fails to provide us with notice as soon as practicable.
 - b. This exception shall not apply:
 - (1) To you; or

- (2) To any officer, director, partner, risk manager or insurance manager of yours.

6. DAMAGE TO PREMISES RENTED TO YOU

a. SECTION I - COVERAGES, COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions is amended.

- (1) The last paragraph is deleted and replaced by the following paragraph.
Exclusions c. through n. do not apply to damage by fire, lightning, explosion, smoke or water damage to premises rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in **6. DAMAGE TO PREMISES RENTED TO YOU, b. Limits of Insurance.**
- (2) The following additional exclusions apply to "property damage" arising out of water damage to premises rented to you or temporarily occupied by you with permission of the owner.
- (a) "Property damage" to:
- 1) The interior of the premises caused by or resulting from rain or snow, whether driven by wind or not; or
 - 2) Heating, air conditioning, plumbing or fire protection systems, or other equipment or appliances.
- (b) "Property damage" caused by or resulting from any of the following:
- 1) Mechanical breakdown, including bursting or rupture caused by centrifugal force;
 - 2) Cracking, settling, expansion or shrinking;
 - 3) Smoke or smog;
 - 4) Birds, insects, rodents or other animals;
 - 5) Wear and tear;
 - 6) Corrosion, rust, decay, fungus, deterioration, hidden or latent defect or any quality in property that causes such property to destroy or damage itself; or
 - 7) Water that flows or leaks from any heating, air conditioning, plumbing or fire protection system caused by or resulting from freezing, unless:
 - a) You make a reasonable effort to maintain heat in the building or structure; or
 - b) You drain the equipment and shut off the water supply if the heat is not maintained.
- (c) "Property damage" caused directly or indirectly by any of the following:

- 1) Water that backs up from a drain or sewer;
- 2) Mud flow or mudslide;
- 3) Volcanic eruption, explosion or effusion;
- 4) Any earth movement, such as earthquake, landslide, mine subsidence, earth sinking, earth rising or earth shifting;
- 5) Regardless of the cause, flood, surface water, waves, tides, tidal waves, storm surge, overflow of any body of water, or their spray, all whether wind driven or not; or
- 6) Water under the ground surface pressing on, or seeping or flowing through:
 - a) Walls, foundations, floors or paved surfaces;
 - b) Basements, whether paved or not; or
 - c) Doors, windows or other openings.

- (d) "Property damage" for which the insured is obligated to pay as damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of this contract or agreement.

b. Limits of insurance

SECTION III - LIMITS OF INSURANCE is amended. Paragraph 6. is deleted and replaced by the following paragraph.

- 6.** The most we will pay under Coverage A for damages because of "property damage" to premises rented to you or temporarily occupied by you with permission of the owner arising out of or caused by fire, lightning, explosion, smoke and water damage is the amount shown in the Declarations under Damage to Premises Rented to You.

c. SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, 4. Other Insurance,

Paragraph b. is amended. The word fire is amended to include fire, lightning, explosion, smoke or water damage.

7. BLANKET ADDITIONAL INSURED - LESSOR OF LEASED EQUIPMENT

- a. (1) SECTION II - WHO IS AN INSURED** is amended to include as an additional insured any person or organization with whom you have agreed:
- (a) In a written contract or agreement, executed prior to loss, to name as an additional insured; or

- (b) In an oral contract or agreement, executed prior to loss, to name as an additional insured only if a Certificate of Insurance was issued prior to loss indicating that the person or organization was an additional insured.
- (2) This provision applies only with respect to liability for:
 - (a) "Bodily injury";
 - (b) "Property damage"; or
 - (c) "Personal and advertising injury" caused in whole or in part, by your maintenance, operation or use of equipment leased to you by such person or organization.
- b. With respect to the insurance afforded to an additional insured, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.
- c. **SECTION III - LIMITS OF INSURANCE** is amended. The following provision is added for purposes of this endorsement only.

The Limits of Insurance for the additional insured are those specified in the written contract or agreement between the insured and the lessor, not to exceed the limits provided in this policy. These limits are inclusive of and not in addition to the Limits of Insurance shown in the Declarations.
- 8. **BLANKET ADDITIONAL INSURED - MANAGERS OR LESSORS OF PREMISES**
 - a. **SECTION II - WHO IS AN INSURED** is amended. The following provision is added. Any person or organization with whom you have agreed to name as an additional insured:
 - (1) In a written contract or agreement, executed prior to loss; or
 - (2) In an oral contract or agreement, executed prior to loss, only if a Certificate of Insurance was issued prior to loss indicating that the person or organization was an additional insuredbut only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you.
 - b. The provision is subject to the following additional exclusions.
 - (1) Any "occurrence" which takes place after you cease to be a tenant in that premises.
 - (2) Structural alterations, new construction or demolition operations performed by or on behalf of the additional insured.
 - c. **SECTION III - LIMITS OF INSURANCE** is amended. The following provision is added for purposes of this endorsement only.

The Limits of Insurance for the additional insured are those specified in the written contract or agreement between the insured and the manager or lessor of the premises, not to exceed the limits provided in this policy. These limits are inclusive of and not in addition to the Limits of Insurance shown in the Declarations.

9. **NEWLY FORMED OR ACQUIRED ORGANIZATIONS**

SECTION II - WHO IS AN INSURED is amended. Paragraph 3. is deleted and replaced by the following paragraph.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier.
- b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

10. **BLANKET WAIVER OF SUBROGATION**

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS is amended. The following provision is added to 8. **Transfer Of Rights Of Recovery Against Others To Us.**

When you have agreed to waive your right of subrogation in a written contract, executed prior to loss, with any person or organization, we waive any right of recovery we may have against such person or organization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard".

All other policy terms and conditions apply.

55405 (7-08)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONDITIONAL EXCLUSION OF TERRORISM INVOLVING NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

A. Applicability Of This Endorsement

1. The provisions of this endorsement will apply if and when one of the following situations occurs:
 - a. The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act), terminates; or
 - b. The Program is renewed, extended or otherwise continued in effect:
 - (1) With revisions that increase insurers' statutory percentage deductible or decrease the federal government's statutory percentage share in potential terrorism losses above such deductible, or that results in a change in the level or terms or conditions of coverage; and
 - (2) We are not required by the Program to make terrorism coverage available to you and elect not to do so.
2. When this endorsement becomes applicable in accordance with the terms of A.1.a. or A.1.b., above, it supersedes any terrorism

endorsement already endorsed to this policy that addresses "certified acts of terrorism".

3. If this endorsement does NOT become applicable, then any terrorism endorsement already endorsed to this policy, that addresses "certified acts of terrorism", will remain in effect. However, if the Program is renewed, extended or otherwise continued in effect with revisions that change the level or terms or conditions of coverage, and we are required to offer you the revised coverage or to provide revised coverage to those who previously accepted coverage under the Program, then we will take the appropriate steps in response to the federal requirements.

- B.** The following definition is added and applies under this endorsement wherever the term terrorism is enclosed in quotation marks.

"Terrorism" means activities against persons, organizations or property of any nature:

1. That involve the following or preparation for the following:
 - a. Use or threat of force or violence; or
 - b. Commission or threat of a dangerous act; or

- c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and

2. When one or both of the following applies:

- a. The effect is to intimidate or coerce a government or the civilian population or any segments thereof, or to disrupt any segment of the economy; or
- b. It appears that the intent is to intimidate or coerce a government or the civilian population, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

C. The following exclusion is added:

Exclusion Of "Terrorism"

We will not pay for "bodily injury", "property damage", "personal injury" or "advertising injury" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". All "bodily injury", "property damage", "personal injury" or "advertising injury" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such

injury or damage. This exclusion applies only when one or more of the following are attributed to an incident of "terrorism":

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination;
2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material;
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials.

Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, regardless of whether this endorsement was in effect during the entirety of that time period or not.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYER'S LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. SECTION I - COVERAGES, COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions is amended. Exclusion **e. Employer's Liability** is deleted and replaced by the following exclusion.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of any insured arising out of and in the course of employment by any insured; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph **e.(1)**.

This exclusion applies:

- (1) Whether any insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by any insured under an "insured contract".

B. SECTION II - WHO IS AN INSURED is amended. Paragraph **1.** is deleted and replaced by the following paragraph for purposes of this endorsement only.

1. a. If you are designated in the Declarations as:
 - (1) An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - (2) A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
 - (3) A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business.

- (4) An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- (5) A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

b. However, with respect to paragraphs 1.a.(1) through 1.a.(5), no person is an insured for "bodily injury" or "personal and advertising injury":

- (1) To:
 - (a) You and your spouse if the Named Insured is an individual;
 - (b) Your members, your partners and their spouses if the Named Insured is a partnership or joint venture;
 - (c) Your members if the Named Insured is a Limited Liability Company;
 - (d) Your "executive officers" and directors if the Named Insured is other than a partnership, joint venture or limited liability company; or
 - (e) Your trustees if the Named Insured is a trust.
- (2) To an "employee" of any insured while in the course of his or her employment or performing duties related to the conduct of any insured's business.
- (3) To any insured's "volunteer workers" while performing duties related to the conduct of any insured's business;
- (4) To the spouse, child, parent, brother or sister of any "employee" or "volunteer worker" as a consequence of Paragraphs **1.b.(2)** or **(3)**.
- (5) For which there is any obligation to share damages with or repay someone

else who must pay damages because of
the injury described in Paragraphs
1.b.(1), (2) and (3).

(6) Arising out of his or her providing or
failing to provide professional health
care services.

All other policy terms and conditions apply.

COMMERCIAL GENERAL LIABILITY
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COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance. The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured. Other words and phrases that appear in quotation marks have special meaning. Refer to Section V – Definitions.

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:
- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";

- (2) The "bodily injury" or "property damage" occurs during the policy period; and
 - (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.
- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.
- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:
- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
 - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.
- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured.

This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
 - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
 - (b) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph (1), (2) or (3) above. However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. Pollution

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

- (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
- (ii) "Bodily injury" or "property damage" for which you may be held liable, if

you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - (i) Any insured; or
 - (ii) Any person or organization for whom you may be legally responsible; or
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
 - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the

premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

- (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".
- (2) Any loss, cost or expense arising out of any:
 - (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
 - (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other

wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (5) "Bodily injury" or "property damage" arising out of:
 - (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
 - (b) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of seven or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III – Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a side-track agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data. However, this exclusion does not apply to liability for damages because of "bodily injury". As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

Exclusions c. through n. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III – Limits Of Insurance.

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

- a. **Knowing Violation Of Rights Of Another**
"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another

and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

i. Infringement Of Copyright, Patent, Trade-mark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;

- (2) Designing or determining content of web sites for others; or

- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs 14.a., b. and c. of "personal and advertising injury" under the Definitions section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-related

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

- p. Recording And Distribution Of Material Or Information In Violation Of Law**
"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:
- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
 - (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
 - (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
 - (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

COVERAGE C – MEDICAL PAYMENTS

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
- (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations; provided that:
 - (a) The accident takes place in the "coverage territory" and during the policy period;
 - (b) The expenses are incurred and reported to us within one year of the date of the accident; and
 - (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
- (1) First aid administered at the time of an accident;
 - (2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

- a. Any Insured**
To any insured, except "volunteer workers".

- b. Hired Person**
To a person hired to do work for or on behalf of any insured or a tenant of any insured.
- c. Injury On Normally Occupied Premises**
To a person injured on that part of premises you own or rent that the person normally occupies.
- d. Workers' Compensation And Similar Laws**
To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.
- e. Athletics Activities**
To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.
- f. Products-Completed Operations Hazard**
Included within the "products-completed operations hazard".
- g. Coverage A Exclusions**
Excluded under Coverage A.

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:
- a. All expenses we incur.
 - b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
 - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
 - e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
 - f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
 - g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.
- These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
- The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
 - This insurance applies to such liability assumed by the insured;
 - The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
 - The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
 - The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
 - The indemnitee:
 - Agrees in writing to:
 - Cooperate with us in the investigation, settlement or defense of the "suit";
 - Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - Notify any other insurer whose coverage is available to the indemnitee; and
 - Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - Provides us with written authorization to:
 - Obtain records and other information related to the "suit"; and
 - Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I – Coverage A – Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the

payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

SECTION II – WHO IS AN INSURED

- If you are designated in the Declarations as:
 - An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
 - A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
 - An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
 - A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
- Each of the following is also an insured:
 - Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:
 - "Bodily injury" or "personal and advertising injury":
 - To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
 - To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;

- b.** Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.
- For the purposes of this insurance, electronic data is not tangible property.
- As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
- 18.** "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:
 - a.** An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
 - b.** Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
- 19.** "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
- 20.** "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

- 21. "Your product":**
 - a. Means:**
 - (1)** Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a)** You;
 - (b)** Others trading under your name; or
 - (c)** A person or organization whose business or assets you have acquired; and
 - (2)** Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
 - b. Includes:**
 - (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (2)** The providing of or failure to provide warnings or instructions.
 - c.** Does not include vending machines or other property rented to or located for the use of others but not sold.
- 22. "Your work":**
 - a. Means:**
 - (1)** Work or operations performed by you or on your behalf; and
 - (2)** Materials, parts or equipment furnished in connection with such work or operations.
 - b. Includes:**
 - (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
 - (2)** The providing of or failure to provide warnings or instructions.

COMMERCIAL GENERAL LIABILITY
CG 20 08 04 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED - USERS OF GOLFMOBILES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Section II - Who Is An Insured** is amended to include as an additional insured any person(s) using or legally responsible for the use of golfmobiles loaned or rented to others by you or any of your concessionaires but only for their liability arising out of the use of the golfmobiles.
- B.** For the purposes of this endorsement, golfmobile means a motorized conveyance that is:
- 1.** Designed to carry up to four persons on a golf course for the purpose of playing golf; and
 - 2.** Not built or modified after manufacture to exceed a speed of 25 miles per hour on level ground.

COMMERCIAL GENERAL LIABILITY
CG 21 06 05 14

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION – ACCESS OR DISCLOSURE OF
CONFIDENTIAL OR PERSONAL INFORMATION AND
DATA-RELATED LIABILITY – WITH
LIMITED BODILY INJURY EXCEPTION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Exclusion 2.p. of Section I – Coverage A – Bodily Injury And Property Damage Liability is replaced by the following:

2. Exclusions

This insurance does not apply to:

- p. **Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability**

Damages arising out of:

- (1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or

- (2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph (1) or (2) above.

However, unless Paragraph (1) above applies, this exclusion does not apply to damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

- B. The following is added to Paragraph 2. Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

2. Exclusions

This insurance does not apply to:

- Access Or Disclosure Of Confidential Or Personal Information**

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information. This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

COMMERCIAL GENERAL LIABILITY
CG 21 32 05 09

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMUNICABLE DISEASE EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A. The following exclusion is added to Paragraph 2.
Exclusions of Section I - Coverage A - Bodily
Injury And Property Damage Liability:**

2. Exclusions

This insurance does not apply to:

Communicable Disease

"Bodily injury" or "property damage" arising out of the actual or alleged transmission of a communicable disease.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

- a. Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;
- b. Testing for a communicable disease;
- c. Failure to prevent the spread of the disease; or
- d. Failure to report the disease to authorities.

**B. The following exclusion is added to Paragraph 2.
Exclusions of Section I - Coverage B - Personal
And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Communicable Disease

"Personal and advertising injury" arising out of the actual or alleged transmission of a communicable disease.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

- a. Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;
- b. Testing for a communicable disease;
- c. Failure to prevent that spread of the disease; or
- d. Failure to report the disease to authorities.

COMMERCIAL GENERAL LIABILITY
CG 21 47 12 07

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability:

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

B. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

COMMERCIAL GENERAL LIABILITY
CG 21 96 03 05

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SILICA OR SILICA-RELATED DUST EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:

2. Exclusions

This insurance does not apply to:

Silica Or Silica-Related Dust

- a. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".
- b. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- c. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:

2. Exclusions

This insurance does not apply to:

Silica Or Silica-Related Dust

- a. "Personal and advertising injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- b. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

C. The following definitions are added to the Definitions Section:

1. "Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.
2. "Silica-related dust" means a mixture or combination of silica and other dust or particles.

COMMERCIAL GENERAL LIABILITY
CG 24 16 12 07

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CANOES OR ROWBOATS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. Exclusion **g.** of **Section I - Coverage A - Bodily Injury And Property Damage Liability** does not apply to "bodily injury" or "property damage" arising out of any canoe or rowboat owned or used by or rented to the insured.
2. **Section II - Who Is An Insured** is amended to include as an insured any person or organization legally responsible for the use of any such canoe or rowboat you own, provided the actual use is with your permission.

COMMERCIAL GENERAL LIABILITY
CG 21 09 06 15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - UNMANNED AIRCRAFT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Exclusion 2.g. **Aircraft, Auto Or Watercraft** under **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

2. **Exclusions**

This insurance does not apply to:

g. **Aircraft, Auto Or Watercraft**

(1) **Unmanned Aircraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph g.(1) applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

(2) **Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph g.(2) applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use

or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph g.(2) does not apply to:

- (a) A watercraft while ashore on premises you own or rent;
- (b) A watercraft you do not own that is:
 - (i) Less than 26 feet long; and
 - (ii) Not being used to carry persons or property for a charge;
- (c) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (d) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (e) "Bodily injury" or "property damage" arising out of:
 - (i) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
 - (ii) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

- B. The following exclusion is added to Paragraph 2.
Exclusions of Coverage B – Personal And Advertising Injury Liability:

2. **Exclusions**

This insurance does not apply to:

Unmanned Aircraft

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

- a. The use of another's advertising idea in your "advertisement"; or
 - b. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
- C. The following definition is added to the **Definitions** section:
- "Unmanned aircraft" means an aircraft that is not:
- 1. Designed;
 - 2. Manufactured; or
 - 3. Modified after manufacture;
- to be controlled directly by a person from within or on the aircraft.

COMMERCIAL GENERAL LIABILITY
CG 32 01 12 04

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

GEORGIA LIMITED FUNGI OR BACTERIA COVERAGE - SMALL BUSINESSES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Fungi And Bacteria Property Damage Aggregate Limit	\$ 50,000
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- A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**
- 2. Exclusions**
This insurance does not apply to:
- a. "Bodily Injury" arising out of a "fungi or bacteria incident".
 - b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.
This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.
- B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**
- 2. Exclusions**
This insurance does not apply to:
- a. "Personal and advertising injury" arising out of a "fungi or bacteria incident".
 - b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.
- C. Coverage provided by this insurance for "property damage", arising out of a "fungi or bacteria incident", is subject to the Fungi and Bacteria Property Damage Aggregate Limit as described in Paragraph D. of this endorsement.**
- D. The following are added to Section III – Limits Of Insurance:**
- 1. Subject to Paragraphs 2. and 3. of Section III – Limits Of Insurance, as applicable, the Fungi and Bacteria Property Damage Aggregate Limit shown in the Schedule of this endorsement is the most we will pay under Coverage A for all "property damage" arising out of one or more "fungi or bacteria incident".
 - 2. Paragraph 5., the Each Occurrence Limit and Paragraph 6., the Damage To Premises Rented To You Limit, of Section III – Limits Of Insurance continue to apply to "property damage" arising out of a "fungi or bacteria incident" but only if, and to the extent that, limits are available under the Fungi and Bacteria Property Damage Aggregate Limit.
- E. The following definitions are added to the Definitions Section:**
- 1. "Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

2. "Fungi or bacteria incident" means an incident which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure,

including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such damage.

COINSURANCE CONTRACT

TOOLS AND EQUIPMENT FLOATER

PROPERTY COVERED

We cover the property which is:

1. described for this coverage in the Declarations; and
2. owned by:
 - a. you; or
 - b. your employees;

while the property is on the insured premise or elsewhere in the course of your business.

AMOUNT OF INSURANCE

We will not pay more than:

1. the limit of insurance stated in the Declarations for any one loss occurrence; or
2. \$2,500 ON ANY ONE ITEM UNLESS ANOTHER AMOUNT IS SPECIFICALLY SCHEDULED.

PERILS WE INSURE AGAINST

We cover risk of direct physical loss or damage, not excluded in this form, to the property covered.

EXCLUSIONS

We do not cover under this form loss or damage caused directly or indirectly by any of the following, whether or not any other cause or happening contributes concurrently or in any sequence to the loss or damage:

1. Seizure or destruction of property by order of governmental authority. But we will pay for such acts of destruction taken at the time of a fire to prevent its spread if the fire would be covered under this form.
2. Nuclear action meaning nuclear reaction, radiation, radioactive contamination, discharge of a nuclear weapon, however caused and whether controlled or uncontrolled, or any consequence of any of these. We will cover direct loss resulting from fire if caused by any of these, if fire is covered elsewhere in this form.
3. War (declared or undeclared), civil war, insurrection, rebellion or revolution.
4. Wear and tear; inherent vice; hidden or latent defect; gradual deterioration; mechanical break down; insects, vermin, rodents; depreciation; or by

processing or any work on the property. We will cover direct loss from fire or explosion which is caused by any of these.

5. Corrosion, rusting, dampness of atmosphere, or extremes of temperature.
6. Misappropriation, secretion, conversion, infidelity or any dishonest act by you or others or the employees or agents of either to whom the covered property may be entrusted. This exclusion does not apply to carriers for hire.
7. Artificially generated electrical currents to electrical apparatus. We will cover loss or damage caused directly by ensuing fire or explosion.
8. The weight of a load exceeding the registered lifting or supporting capacity of any machine.
9. Strikes, lockouts, labor disturbances; riots and civil commotion; or the acts of any person or persons taking part in such occurrences or disorders.
10. Theft by an insured's employees or a person to whom the insured property is entrusted.
11. Loss or damage by an unexplainable or unaccountable cause where there is no visible evidence that the loss or damage resulted from a peril insured against.

ADDITIONAL CONDITIONS

1. Coinsurance Clause

We will pay no more than the amount of loss or damage multiplied by the ratio of the amount of insurance on the property covered to its actual cash value at the time of loss or damage.

2. Territory

This policy applies only within the continental United States and Canada.

3. Special Condition

Each item of the schedule is deemed to be separately insured.

All other policy terms and conditions apply.

16213 (3-88)

INTEREST RATE ENDORSEMENT INLAND MARINE TPP COVERAGE PART

We agree:

Any interest which must be paid on a judgment which is awarded to the Insured as a result of his or her suit against us will accrue at a rate equal to the rate established at auction for 26 week United States Treasury Bills immediately preceding the date the judgment is entered, however said interest rate shall not exceed 12 percent per year.

16213 (3-88)

Page 1 of 1

Georgia
AMENDATORY ENDORSEMENT
Commercial Inland Marine

It is agreed:

Under **COMMON POLICY CONDITIONS**:

1. **CANCELLATION** is deleted and replaced by the following:

CANCELLATION

- a. You may cancel this policy by returning it to us or by notifying us of the date you wish cancellation to take effect.
- b. We may cancel this policy by mailing or delivering to you and any lienholder written notice stating the reason(s) for cancellation at the last mailing address known to us. Subject to c. below, when this policy is cancelled:
 - (1) during the first 60 days of coverage, such notice shall be mailed at least 30 days prior to the effective date of cancellation; or
 - (2) after 60 days of coverage, such notice shall be mailed or delivered at least 45 days prior to the effective date of cancellation;except when cancellation is for nonpayment of premium, then 10 days notice shall be given.
- c. If the terms of this policy permit an audit, the following is added:

If you fail to submit to or allow an audit for the current or most recently expired term, we may cancel this policy subject to the following:

 - (1) We will make two documented efforts to send you and your agent notification of potential cancellation. After the second notice has been sent, we may cancel this policy by mailing or delivering a written notice stating the reason for cancellation at least 10 days before the effective date of cancellation, but not within 20 days of the first documented effort.
 - (2) We will send written notice of cancellation to you at your last address known to us by certified mail or statutory overnight delivery with return receipt requested.
- d. Refund of any premium due will be made as soon as practicable after the date of cancellation. You will be charged premium only for the days you were covered during the policy period.
- e. Proof of mailing will be a receipt provided by the United States Postal Service or such other evidence of mailing as prescribed or accepted by the United State Postal Service.

2. The following condition is added:

NONRENEWAL

If we elect not to renew this policy, we shall mail or deliver to you and any lienholder at the last mailing address known to us written notice of nonrenewal at least 45 days prior to the expiration date of the policy.

All other policy terms and conditions apply.

16518 (3-12)

Georgia
SPECIAL CONDITIONS AMENDATORY ENDORSEMENT
Commercial Inland Marine

It is agreed:

Under **COMMERCIAL INLAND MARINE CONDITIONS, SPECIAL CONDITIONS**, are amended as follows:

1. **CONCEALMENT, MISREPRESENTATION OR FRAUD** is deleted and replaced by the following:
CONCEALMENT, MISREPRESENTATION OR FRAUD Any misrepresentations, omissions, concealment of facts, and incorrect statements by or on behalf of any insured shall not prevent a recovery under this policy unless:
 - a. fraudulent;
 - b. material either to the acceptance of the risk or to the hazard assumed by us; or
 - c. we in good faith would either not have issued the policy or would not have issued this policy in as large an amount or at the premium rate as applied for or would not have provided coverage with respect to the hazard resulting in the loss if the true facts had been known to us as required by the application for this policy.
2. **OTHER INSURANCE** is deleted and replaced by the following:
OTHER INSURANCE If you have other insurance covering the same loss as this insurance, we will pay our share. Our share will be the ratio of this insurance to the total amount of all insurance which applies.

All other policy terms and conditions apply.

16518 (3-12)

Page 1 of 1

16528 (5-13)

DIMINUTION IN VALUE EXCLUSION

It is agreed:

The following exclusion is added to **EXCLUSIONS** wherever found:

We do not cover any actual, alleged or perceived difference in:

- a. market value;
- b. resale value; or
- c. pre-loss and post-loss value

of your damaged covered property after it has been repaired or replaced as compared to the actual, alleged or perceived market value of your damaged covered property prior to such loss or damage.

All other policy terms and conditions apply.

16528 (5-13)

Page 1 of 1

16859 (7-19)

ACTUAL CASH VALUE AND DEPRECIATION

Commercial Inland Marine

It is agreed:

Wherever it appears in this policy and any endorsement attached to this policy:

1. Actual cash value means the cost to repair or replace lost or damaged property with property of similar quality and features reduced by the amount of depreciation applicable to the lost or damaged property immediately prior to the loss.
2. Depreciation means a decrease in value because of age, wear, obsolescence or market value and includes:
 - a. The cost of materials, labor and services;

b. Any applicable taxes; and

c. Profit and overhead necessary to repair, replace or rebuild lost or damaged property.

The meaning of actual cash value and depreciation in this endorsement supersedes any provision in this policy and any endorsement attached to this policy to the contrary.

All other policy terms and conditions apply.

16859 (7-19)

Page 1 of 1

COMMERCIAL INLAND MARINE CONDITIONS

INSURING AGREEMENT

We agree to provide insurance subject to all the terms of this coverage part. In return, you must pay the premium and comply with all the terms of this policy or coverage part. This insurance applies to loss which occurs during the policy term shown in the Declarations. The coverages provided, the limits of our liability and the premiums are also shown in the Declarations.

DEFINITIONS

To understand this coverage part, you must understand what we mean when we use these words:

1. You and your mean the insured named in the Declarations.
2. We, us and our mean the Company providing this insurance.

WHAT TO DO IN CASE OF LOSS

1. **NOTICE** In case of a loss, you must:
 - a. Give us or our agent prompt notice including a description of the property involved (we may request written notice); and
 - b. Give notice to the police when the act that causes the loss is a crime.
2. **YOU MUST PROTECT PROPERTY** You must take all reasonable steps to protect covered property at and after an insured loss to avoid further loss.
 - a. **Payment Of Reasonable Costs** We do pay the reasonable costs incurred by you for necessary repairs or emergency measures performed solely to protect covered property from further damage by a peril insured against if a peril insured against has already caused a loss to covered property. You must keep an accurate record of such costs. Our payment of reasonable costs does not increase the limit of insurance provided for covered property.
 - b. **We Do Not Pay** We do not pay for such repairs or emergency measures performed on property that has not been damaged by a peril insured against.
3. **DAMAGED PROPERTY**
 - a. You must exhibit the damaged and undamaged property as often as we reasonably request and allow us to inspect or take samples of the property.
 - b. Make a list of all damaged and destroyed property, showing in detail quantities, costs, actual cash value and amount of loss claimed.

4. **PROOF OF LOSS** You must send us, within 60 days after our request, a signed, sworn proof of loss. This must include the following information:
 - a. The time, place and circumstances of the loss;
 - b. Other policies of insurance that may cover the loss;
 - c. Your interest and the interests of all others in the property involved, including all mortgages and liens;
 - d. Changes in title of the covered property during the policy period; and
 - e. Estimates, specifications, inventories and other reasonable information that we may require to settle the loss.
5. **EXAMINATION** You must submit to examination under oath in matters connected with the loss as often as we reasonably request and give us sworn statements of the answers. If more than one person is examined, we have the right to examine and receive statements separately and not in the presence of others.
6. **RECORDS**
 - a. You must produce records, including tax returns and bank microfilms of all canceled checks relating to value, loss and expense and permit copies and extracts to be made of them as often as we reasonably request.
 - b. Produce for examination, with permission to copy, all books of account, bills, invoices, receipts and other vouchers as we may reasonably require.
7. **VOLUNTEER PAYMENTS** You must not, except at your own expense, voluntarily make any payments, assume any obligations, pay or offer any rewards, or incur any other expenses except as respects protecting property from further damage.

SPECIAL CONDITIONS

The following conditions apply unless otherwise stated in a specific coverage form attached to this Commercial Inland Marine policy or this Commercial Inland Marine coverage part.

ABANDONMENT You may not abandon the property to us without our written consent.

APPRAISAL

If you and we do not agree on the amount of the loss or the value of covered property, either party may demand that these amounts be determined by appraisal.

If either makes a written demand for appraisal, each will select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers will then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, you or we can ask a judge of a court of record in the state where the property is located to select an umpire.

The appraisers will then determine and state separately the amount of each loss.

The appraisers will also determine the value of covered property items at the time of the loss, if requested. If the appraisers submit a written report of any agreement to us, the amount agreed upon will be the amount of the loss. If the appraisers fail to agree within a reasonable time, they will submit only their differences to the umpire. Written agreement so itemized and signed by any two of these three, sets the amount of the loss. Each appraiser will be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire will be paid equally by you and us.

ASSIGNMENT This provision applies only if the named insured is an individual.

a. **Your Death** - On your death, we cover the following as an insured:

- (1) The person who has custody of your property until a legal representative is qualified and appointed; or
- (2) Your legal representative.

This person or organization is an insured only with respect to property covered by this coverage.

b. **Policy Term Is Not Extended** This coverage does not extend past the policy term shown in the Declarations.

CONCEALMENT, MISREPRESENTATION OR FRAUD

This coverage is void as to you and any other insured if, before or after a loss:

- a. You or any other insured have willfully concealed or misrepresented:
 - (1) A material fact or circumstance that relates to this insurance or the subject thereof; or
 - (2) Your interest herein.
- b. There has been fraud or false swearing by you or any other insured with regard to a matter that relates to this insurance or the subject thereof.

COOPERATION You must cooperate with us in performing all acts required by this policy.

DEDUCTIBLE We pay only that part of your loss over the deductible amount shown in the Declarations in any one occurrence.

INSURABLE INTEREST We do not cover more than your insurable interest in any property.

LOSS CLAUSE Except as shown under **Limited Fungi Coverage**, if provided, the amount of insurance under this policy will not be reduced except for total loss of a scheduled item. Any unearned premium that applies to such item will be refunded.

NO BENEFIT TO BAILEE Insurance under this coverage will not directly or indirectly benefit anyone having custody of your property.

OTHER INSURANCE

- a. **Proportional Share** You may have another policy subject to the same terms as this policy. If you do, we will pay your share of the covered loss. Our share is the proportion that the applicable limit under this policy bears to the limit of all policies covering on the same basis.
- b. **Excess Amount** If there is another policy covering the same loss, other than that described above, we pay only for the amount of covered loss in excess of the amount due from that other policy, whether you can collect on it or not. However, we do not pay more than the applicable limit.

OUR PAYMENT OF LOSS

- a. **Adjustment And Payment Of Loss** We adjust all losses with you. Payment will be made to you unless another loss payee is named in the policy.
- b. **Conditions For Payment Of Loss** An insured loss will be payable 30 days after:
 - (1) A satisfactory proof of loss is received; and
 - (2) The amount of the loss has been established either by written agreement with you or the filing of an appraisal award with us.

OUR RIGHT TO RECOVER PAYMENT If we pay for a loss, we may require you to assign to us your right of recovery against others. You must do all that is necessary to secure our rights. We do not pay for a loss if you impair this right to recover. You may waive your right to recover from others in writing before a loss occurs.

PAIR OR SET The value of a lost or damaged article that is part of a pair or set is based on a reasonable proportion of the value of the entire pair or set. The loss is not considered a total loss of the pair or set.

PARTS The value of a lost or damaged part of an item that consists of several parts when it is complete is based on the value of only the lost or damaged part or the cost to repair or replace it.

POLICY TERM We pay for a covered loss that occurs during the policy term.

RECOVERIES If we pay you for the loss and lost or damaged property is recovered, or payment is made by those responsible for the loss, the following provisions apply:

- a. You must notify us promptly if you recover property or receive payment;
- b. We must notify you promptly if we recover property or receive payment;

- c. Any recovery expenses incurred by either are reimbursed first;
- d. You may keep the recovered property but you must refund to us the amount of the claim paid or any lesser amount to which we agree; and
- e. If the claim paid is less than the agreed loss because of a deductible or other limiting terms of this policy, any recovery will be prorated between you and us based on our respective interest in the loss.

RIGHT TO ADJUST LOSS WITH OWNER

- a. **Adjustment And Payment Of Loss To Property Of Others** Losses to property of others may be adjusted with and paid to:
 - (1) You on behalf of the owner; or
 - (2) The owner.
- b. **We Do Not Have To Pay You If We Pay The Owner** If we pay the owner, we do not have to pay you. We may also choose to defend any suits brought by the owners at our expense.

SUIT AGAINST US No one may bring a legal action against us under this coverage unless:

- a. All of the terms of this coverage have been complied with; and
- b. The suit has been brought within two years after you first have knowledge of the loss.

If any applicable law makes this limitation invalid, then suit must begin within the shortest period permitted by law.

VALUATION We will not pay more than the least of:

- a. The actual cash value of the damaged property at the time any loss or damage occurs. Actual cash value may include a deduction for depreciation;
- b. The cost to repair or replace the damaged property with like kind or quality; or
- c. The amount of insurance stated for the class of property shown in the Declarations.

WHEN TWO OR MORE COVERAGES APPLY

If more than one coverage of this policy insures the same loss, we pay no more than the actual claim, loss or damage sustained.

16381 (7-08)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONDITIONAL EXCLUSION OF TERRORISM INVOLVING NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

A. Applicability Of This Endorsement

1. The provisions of this endorsement will apply if and when one of the following situations occurs:
 - a. The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act), terminates; or
 - b. The Program is renewed, extended or otherwise continued in effect:
 - (1) With revisions that increase insurers' statutory percentage deductible or decrease the federal government's statutory percentage share in potential terrorism losses above such deductible, or that results in a change in the level or terms or conditions of coverage; and
 - (2) We are not required by the Program to make terrorism coverage available to you and elect not to do so.
2. When this endorsement becomes applicable in accordance with the terms of A.1.a. or A.1.b., above, it supersedes any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism".

3. If this endorsement does NOT become applicable, then any terrorism endorsement already endorsed to this policy, that addresses "certified acts of terrorism", will remain in effect. However, if the Program is renewed, extended or otherwise continued in effect with revisions that change the level or terms or conditions of coverage, and we are required to offer you the revised coverage or to provide the revised coverage to those who previously accepted coverage under the Program, then we will take the appropriate steps in response to the federal requirements.

- B.** The following definition is added and applies under this endorsement wherever the term terrorism is enclosed in quotation marks.
"Terrorism" means activities against persons, organizations or property of any nature:

1. That involve the following or preparation for the following:
 - a. Use or threat of force or violence; or
 - b. Commission or threat of a dangerous act; or
 - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
2. When one or both of the following applies:

- a. The effect is to intimidate or coerce a government or the civilian population or any segments thereof, or to disrupt any segment of the economy; or
- b. It appears that the intent is to intimidate or coerce a government or the civilian population, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

C. The following exclusion is added:

Exclusion Of "Terrorism"

We will not pay for loss or damage caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. This exclusion applies only when one or more of the following are attributed to an incident of "terrorism":

- 1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination;
- 2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material;
- 3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
- 4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials.

Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, regardless of whether this endorsement was in effect during the entirety of that time period or not.

54833 (7-08)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONDITIONAL EXCLUSION OF TERRORISM INVOLVING NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

A. Applicability Of This Endorsement

1. The provisions of this endorsement will apply if and when one of the following situations occurs:
 - a. The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act), terminates; or
 - b. The Program is renewed, extended or otherwise continued in effect:
 - (1) With revisions that increase insurers' statutory percentage deductible or decrease the federal government's statutory percentage share in potential terrorism losses above such deductible, or that results in a change in the level or terms or conditions of coverage; and
 - (2) We are not required by the Program to make terrorism coverage available to you and elect not to do so.
2. When this endorsement becomes applicable in accordance with the terms of A.1.a. or A.1.b., above, it supersedes any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism".

3. If this endorsement does NOT become applicable, then any terrorism endorsement already endorsed to this policy, that addresses "certified acts of terrorism", will remain in effect. However, if the Program is renewed, extended or otherwise continued in effect with revisions that change the level or terms or conditions of coverage, and we are required to offer you the revised coverage or to provide the revised coverage to those who previously accepted coverage under the Program, then we will take the appropriate steps in response to the federal requirements.

- B.** The following definition is added and applies under this endorsement wherever the term terrorism is enclosed in quotation marks.

"Terrorism" means activities against persons, organizations or property of any nature:

1. That involve the following or preparation for the following:
 - a. Use or threat of force or violence; or
 - b. Commission or threat of a dangerous act; or
 - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and

2. When one or both of the following applies:

- a. The effect is to intimidate or coerce a government or the civilian population or any segments thereof, or to disrupt any segment of the economy; or
- b. It appears that the intent is to intimidate or coerce a government or the civilian population, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

C. The following exclusion is added:

Exclusion Of "Terrorism"

We will not pay for loss or damage caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. This exclusion applies only when one or more of the following are attributed to an incident of "terrorism":

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination;

2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material;
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials.

Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, regardless of whether this endorsement was in effect during the entirety of that time period or not.

D. Exception To Exclusion Of "Terrorism" For Certain Fire Losses

If "terrorism" results in fire, we will pay for the loss or damage caused by that fire, subject to all applicable policy provisions including the Limit of Insurance on the affected property. Such coverage for fire applies only to direct loss or damage caused by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements that apply to those coverage forms or to the Legal Liability Coverage Form.

**CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
AND
IMPORTANT INFORMATION REGARDING TERRORISM RISK
INSURANCE COVERAGE**

It is agreed:

1. With respect to any one or more certified acts of terrorism, we will not pay any amounts for which we are not responsible because of the application of any provision which results in a cap on our liability for payments for terrorism losses in accordance with the terms of the federal Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act).
2. Certified act of terrorism means any act certified by the Secretary of the Treasury, in consultation with:
 - a. the Secretary of Homeland Security; and
 - b. the Attorney General of the United Statesto be an act of terrorism as defined and in accordance with the federal Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act).
3. Under the federal Terrorism Risk Act of 2002 (including ensuing Congressional actions pursuant to the Act) a terrorist act may be certified:
 - a. if the aggregate covered commercial property and casualty insurance losses resulting from the terrorist act exceed \$5 million; and
 - b. (1) if the act of terrorism is:
 - a) a violent act; or
 - b) an act that is dangerous to human life, property or infrastructure; and(2) if the act is committed:
 - a) by an individual or individuals as part of an effort to coerce the civilian population of the United States; or
 - b) to influence the policy or affect the conduct of the United States government by coercion.

All other policy terms and conditions apply.

IMPORTANT INFORMATION REGARDING TERRORISM RISK INSURANCE COVERAGE

The Terrorism Risk Insurance Act of 2002 was signed into law on November 26, 2002. The Act (including ensuing Congressional actions pursuant to the Act) defines an act of terrorism, to mean any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States to be (i) an act of terrorism; (ii) to be a violent act or an act that is dangerous to human life, property or infrastructure; (iii) to have resulted in damage within the United States or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and (iv) to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States government by coercion.

Subject to the policy terms and conditions, this policy provides insurance coverage for acts of terrorism as defined in the Act.

Any coverage for certain commercial lines of property and casualty insurance provided by your policy for losses caused by certified acts of terrorism are partially paid by the federal government under a formula established by federal law. Under this formula, the government will reimburse us for 85% of such covered losses that exceed the statutory deductible paid by us. However, beginning January 1, 2016 the share will decrease 1% per calendar year until it equals 80%. **You should also know that in the event aggregate insured losses exceed \$100 billion during any year the Act is in effect, then the federal government and participating United States insurers that have met their insurer deductible shall not be liable for the payment of any portion of that amount of the loss that exceeds \$100 billion. In the event that aggregate insured losses exceed \$100 billion annually, no additional claims will be paid by the federal government or insurers.** This formula is currently effective through December 31, 2020 unless extended.

The premium charge, if any, for this coverage is shown separately on the attached Declarations page. In the event of a certified act of terrorism, future policies also may include a government assessed terrorism loss risk-spreading premium in accordance with the provisions of the Act.

Please contact us if you would like to reject coverage for certified acts of terrorism.

IL 00 03 07 02

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALCULATION OF PREMIUM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
PROFESSIONAL LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The following is added:

The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation, or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.

IL 00 03 07 02

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COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. CANCELLATION

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. CHANGES

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. EXAMINATIONS OF YOUR BOOKS AND RECORDS

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. INSPECTIONS AND SURVEYS

We have the right but are not obligated to:

1. Make inspections and surveys at any time;
2. Give you reports on the conditions we find; and
3. Recommend changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

1. Are safe or healthful; or
2. Comply with laws, regulations, codes or standards.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

E. PREMIUMS

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

**F. TRANSFER OF YOUR RIGHTS AND DUTIES
UNDER THIS POLICY**

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

IL 00 21 07 02

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
PROFESSIONAL LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

(1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

(1) The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;

(2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or

(3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located

within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" include radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "Special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a) Any "nuclear reactor";
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", or (3) handling, processing or packaging "waste";
- (c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

IL 02 62 02 15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

GEORGIA CHANGES - CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. Paragraph A.1. of the **Cancellation Common Policy Condition is replaced by the following:**

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation, stating a future date on which the policy is to be cancelled, subject to the following:
 - a. If only the interest of the first Named Insured is affected, the effective date of cancellation will be either the date we receive notice from the first Named Insured or the date specified in the notice, whichever is later. However, upon receiving a written notice of cancellation from the first Named Insured, we may waive the requirement that the notice state the future date of cancellation, by confirming the date and time of cancellation in writing to the first Named Insured.
 - b. If by statute, regulation or contract this policy may not be cancelled unless notice is given to a governmental agency, mortgagee or other third party, we will mail or deliver at least 10 days' notice to the first Named Insured and the third party as soon as practicable after receiving the first Named Insured's request for cancellation. Our notice will state the effective date of cancellation, which will be the later of the following:

- (1) 10 days from the date of mailing or delivering our notice; or

- (2) The effective date of cancellation stated in the first Named Insured's notice to us.

B. Paragraph A.5. of the **Cancellation Common Policy Condition is replaced by the following:**

5. Premium Refund

- a. If this policy is cancelled, we will send the first Named Insured any premium refund due.
- b. If we cancel, the refund will be pro rata, except as provided in c. below.
- c. If the cancellation results from failure of the first Named Insured to pay, when due, any premium to us or any amount, when due, under a premium finance agreement, then the refund may be less than pro rata. Calculation of the return premium at less than pro rata represents a penalty charged on unearned premium.
- d. If the first Named Insured cancels, the refund may be less than pro rata.
- e. The cancellation will be effective even if we have not made or offered a refund.

C. The following is added to the **Cancellation Common Policy Condition and supersedes any other provisions to the contrary:
If we decide to:**

1. Cancel or nonrenew this policy; or
2. Increase current policy premium by more than 15% (other than any increase due to change in risk, exposure or experience modification or resulting from an audit of auditable coverages); or
3. Change any policy provision which would limit or restrict coverage

then:

We will mail or deliver notice of our action (including the dollar amount of any increase in renewal premium of more than 15%) to the first Named Insured and lienholder, if any, at the last mailing address known to us. Except as applicable as described in Paragraph D. or E. below, we will mail or deliver notice at least:

- a. 10 days before the effective date of cancellation if this policy has been in effect less than 60 days or if we cancel for nonpayment of premium; or
- b. 45 days before the effective date of cancellation if this policy has been in effect 60 or more days and we cancel for a reason other than nonpayment of premium; or
- c. 45 days before the expiration date of this policy if we decide to nonrenew, increase the premium or limit or restrict coverage.

D. The following provisions apply to insurance covering residential real property only provided under the: Capital Assets Program (Output Policy) Coverage Part;

Commercial Property Coverage Part;

Farm Coverage Part;

if the named insured is a natural person.

With respect to such insurance, the following is added to the **Cancellation** Common Policy Condition and supersedes any provisions to the contrary except as applicable as described in Paragraph E.:

1. When this policy has been in effect for 60 days or less and is not a renewal with us, we may cancel for any reason by notifying the first Named Insured at least 10 days before the date cancellation takes effect.
2. When this policy has been in effect for more than 60 days, or at any time if it is a renewal with us, we may cancel for one or more of the following reasons:

- a. Nonpayment of premium, whether payable to us or to our agent;
- b. Upon discovery of fraud, concealment of a material fact, or material misrepresentative made by or with the knowledge of any person insured under this policy in obtaining this policy, continuing this policy or presenting a claim under this policy;
- c. Upon the occurrence of a change in the risk which substantially increases any hazard insured against; or
- d. Upon the violation of any of the material terms or conditions of this policy by any person insured under this policy.

We may cancel by providing notice to the first Named Insured at least:

- (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (2) 45 days before the effective date of cancellation if we cancel for any of the reasons listed in b., c. or d. above.

E. With respect to a policy that is written to permit an audit, the following is added to the **Cancellation** Common Policy Condition:

If you fail to submit to or allow an audit for the current or most recently expired term, we may cancel this policy subject to the following:

1. We will make two documented efforts to send you and your agent notification of potential cancellation. After the second notice has been sent, we have the right to cancel this policy by mailing or delivering a written notice of cancellation to the first Named Insured at least 10 days before the effective date of cancellation, but not within 20 days of the first documented effort.
2. If we cancel this policy based on your failure to submit to or allow an audit, we will send the written notice of cancellation to the first Named Insured at the last known mailing address by certified mail or statutory overnight delivery with return receipt requested.

EXHIBIT B

Auto-Owners **INSURANCE**

LIFE • HOME • CAR • BUSINESS

Auto-Owners Insurance Company

Home-Owners Insurance Company
 Owners Insurance Company
 Property-Owners Insurance Company
 Southern-Owners Insurance Company

Insured: HERI AUM LLC
 Property: 1255 WALKER AVE
 EAST POINT, GA 30344-5014
 Home: 1 HAWKS PERCH WAY
 SIMPSONVILLE, SC 29681-5793

Business: (404) 767-5374 x 108

Claim Rep.: Chiquita Watson
 Position: Field Claim Rep
 Company: Auto-Owners Insurance
 Business: PO Box 72809
 Newnan, GA 30271

Business: (888) 248-1961 x 57351
 E-mail: newnan.clm@aoins.com

Estimator: Chiquita Watson
 Position: Field Claim Rep
 Company: Auto-Owners Insurance
 Business: PO Box 72809
 Newnan, GA 30271

Business: (888) 248-1961 x 57351
 E-mail: newnan.clm@aoins.com

Claim Number: 300-0180103-2022

Policy Number: 36336678

Type of Loss: OTHER

Date Contacted: 4/1/2022 2:26 PM
 Date of Loss: 3/30/2022 12:00 AM
 Date Inspected:
 Date Est. Completed: 4/14/2022 2:27 PM

Date Received: 3/31/2022 12:00 AM
 Date Entered: 4/4/2022 9:15 AM

Price List: GAAT8X_APR22
 Restoration/Service/Remodel
 Estimate: HERI_AUM_LLC

NOTICE: This is a repair estimate only and not an offer of settlement. All estimate figures may be subject to additional company review and approval. This is not an authorization to repair or guarantee of payment. Authorization to repair and/or guarantee of payment must come from the owner of the property. The insurer assumes no responsibility for the quality nor any deficiencies in repairs.

Auto-Owners INSURANCE

LIFE • HOME • CAR • BUSINESS

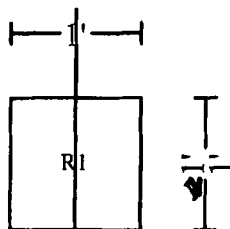
Auto-Owners Insurance Company

Home-Owners Insurance Company
 Owners Insurance Company
 Property-Owners Insurance Company
 Southern-Owners Insurance Company

HERI_AUM_LLC

Source - EagleView Roof

Source - EagleView Roof



R1

1.00 Surface Area
 4.00 Total Perimeter Length

0.01 Number of Squares

DESCRIPTION	QUANTITY	UNIT PRICE	TAX	RCV	DEPREC.	ACV
1. Haul debris - per pickup truck load - including dump fees	1.00 EA	152.23	0.00	152.23	(0.00)	152.23
2. Ridge cap - composition shingles	5.00 LF	4.15	0.46	21.21	(4.24)	16.97
3. Remove Additional charge for high roof (2 stories or greater)	27.00 SQ	5.42	0.00	146.34	(0.00)	146.34
4. Additional charge for high roof (2 stories or greater)	27.00 SQ	19.07	0.00	514.89	(0.00)	514.89
5. Emergency service call - during business hours	1.00 EA	240.19	0.00	240.19	(0.00)	240.19
6. R&R Tarp - all-purpose poly - per sq ft (labor and material)	63.00 SF	1.06	1.42	68.20	(0.00)	68.20
Totals: R1			1.88	1,143.06	4.24	1,138.82
Total: Source - EagleView Roof			1.88	1,143.06	4.24	1,138.82

Interior



Room 609

Height: 7' 5"

597.65 SF Walls
 891.08 SF Walls & Ceiling
 32.60 SY Flooring
 80.58 LF Ceil. Perimeter

293.43 SF Ceiling
 293.43 SF Floor
 80.58 LF Floor Perimeter

DESCRIPTION	QUANTITY	UNIT PRICE	TAX	RCV	DEPREC.	ACV
7. Mask and prep for paint - plastic, paper, tape (per LF)	80.58 LF	1.42	1.69	116.11	(38.70)	77.41
8. Seal & paint acoustic ceiling (popcorn) texture	293.43 SF	1.27	7.73	380.39	(126.80)	253.59
9. Contents - move out then reset - Large room	1.00 EA	88.74	0.00	88.74	(0.00)	88.74
Totals: Room 609			9.42	585.24	165.50	419.74
Total: Interior			9.42	585.24	165.50	419.74

HERI_AUM_LLC

4/14/2022

Page: 2

Auto-Owners **INSURANCE**

LIFE • HOME • CAR • BUSINESS

Auto-Owners Insurance Company

Home-Owners Insurance Company
 Owners Insurance Company
 Property-Owners Insurance Company
 Southern-Owners Insurance Company

Total: Source - EagleView Roof	11.30	1,728.30	169.74	1,558.56
Line Item Totals: HERI_AUM_LLC	11.30	1,728.30	169.74	1,558.56

Grand Total Areas:

597.65 SF Walls	293.43 SF Ceiling	891.08 SF Walls and Ceiling
293.43 SF Floor	32.60 SY Flooring	80.58 LF Floor Perimeter
0.00 SF Long Wall	0.00 SF Short Wall	80.58 LF Ceil. Perimeter
293.43 Floor Area	324.24 Total Area	597.65 Interior Wall Area
703.51 Exterior Wall Area	83.59 Exterior Perimeter of Walls	
1.00 Surface Area	0.01 Number of Squares	4.00 Total Perimeter Length
0.00 Total Ridge Length	0.00 Total Hip Length	

**Auto-Owners Insurance Company**

Home-Owners Insurance Company
 Owners Insurance Company
 Property-Owners Insurance Company
 Southern-Owners Insurance Company

Summary for Building Damage (001: Building 001, 1255 WALKER AVE)

Line Item Total		1,717.00
Material Sales Tax		11.30
Replacement Cost Value		\$1,728.30
Less Depreciation		(169.74)
Actual Cash Value		\$1,558.56
Less Deductible	[Full Deductible = 5,000.00]	(1,558.56)
Net Claim		\$0.00
Total Depreciation		169.74
Less Residual Deductible	[Full Residual Deductible = 3,441.44]	(169.74)
Total Recoverable Depreciation		0.00
Net Claim if Depreciation is Recovered		\$0.00

Chiquita Watson
Field Claim Rep

**Auto-Owners Insurance Company**

Home-Owners Insurance Company
Owners Insurance Company
Property-Owners Insurance Company
Southern-Owners Insurance Company

Recap of Taxes

	Material Sales Tax (7.75%)	Storage Rental Tax (7.75%)	Local Food Tax (3.75%)
Line Items	11.30	0.00	0.00
Total	11.30	0.00	0.00

Auto-Owners
INSURANCE
 LIFE • HOME • CAR • BUSINESS

Auto-Owners Insurance Company

Home-Owners Insurance Company
 Owners Insurance Company
 Property-Owners Insurance Company
 Southern-Owners Insurance Company

Recap by Room

Estimate: HERI_AUM_LLC

Area: Source - EagleView Roof

Area: Source - EagleView Roof

R1

1,141.18 66.46%

Area Subtotal: Source - EagleView Roof

1,141.18 66.46%

Area: Interior

Room 609

575.82 33.54%

Area Subtotal: Interior

575.82 33.54%

Area Subtotal: Source - EagleView Roof

1,717.00 100.00%

Subtotal of Areas

1,717.00 100.00%

Total

1,717.00 100.00%

**Auto-Owners Insurance Company**

Home-Owners Insurance Company
 Owners Insurance Company
 Property-Owners Insurance Company
 Southern-Owners Insurance Company

Recap by Category with Depreciation

Items	RCV	Deprec.	ACV
CONTENT MANIPULATION	88.74		88.74
GENERAL DEMOLITION	303.61		303.61
PAINTING	487.08	162.36	324.72
ROOFING	535.64	4.15	531.49
TEMPORARY REPAIRS	301.93		301.93
Subtotal	1,717.00	166.51	1,550.49
Material Sales Tax	11.30	3.23	8.07
Total	1,728.30	169.74	1,558.56

NOTICE: This is an estimate for repairs and a copy of this document does not constitute settlement of your claim and is not a confirmation of coverage. The above figures may be subject to additional company review and approval. Please review your applicable policy for specific coverages, terms and conditions.

EXHIBIT C



Michael D. Turner, Esq.
110 Norcross Street
Roswell, GA 30075
mdturner@lawhuggins.com
(770) 913-6229

November 1, 2022

Home-Owners Insurance Company
P.O. Box 72809
Newnan, GA 30271

Sent Via email:
newnan.clm@aoins.com

Re: Named Insured(s): Heri Aum LLC
Policy Number: 36336678
Claim Number: 300-0180103-2022
Date of Loss: April 24, 2021 and March 30, 2022

To Whom it May Concern:

As you know, I have been retained by Heri Aum LLC ("Your Insured") to represent them regarding the above referenced property insurance claim. All further communication regarding this claim should continue to be directed to my office.

Please also accept this letter as a formal demand for a **certified copy of the relevant insurance policy, to include the original policy, any renewals, and any endorsements.** We also request a copy of any and all repair estimates drafted to date, any and all engineering reports prepared on your behalf or request, **as well as a payment sheet or payment log detailing all insurance proceeds issued to date for this claim.**

My client has complied with all conditions contained in the insurance policy. My client is at a loss as to why Home-Owners Insurance Company ("Home-Owners") has not afforded the proper coverage under the applicable policy. This lack of good faith has forced Your Insured to retain my legal services in order to fairly settle their claim. It is our belief that Home-Owners has violated the Unfair Claims Settlement Practice Act pursuant to O.C.G.A. § 33-6-34 and has breached the insurance policy.

Bad faith claims handling triggers additional liability on your part under O.C.G.A. § 33-4-6 that includes the amount of the claim, plus a penalty of an additional fifty percent (50%) of the value of the claim and reasonable attorneys' fees and costs.

Therefore, per the enclosed spreadsheets of damages to Your Insured's property, we are hereby making formal demand that you settle the above claim for the sum of **\$140,741.50, less previous payments and the applicable deductible.** The invoice & estimate of damages is attached for your review. This demand is being made pursuant to O.C.G.A. § 33-4-6, and you have sixty (60) days in which to make payment on this claim or be subject to a lawsuit containing a claim for breach of contract and bad faith seeking all compensation allowed by law, including attorneys' fees and a penalty of fifty percent (50%) of the loss amount.

To: Home-Owners Insurance Company
Client: Heri Aum LLC
November 1, 2022
Page 2 of 2

This letter constitutes a "proper demand" for payment under O.C.G.A. § 33-4-6. If you contend that a proper demand has not been made, you must immediately notify us of the reasons for such allegation. Otherwise, it will be assumed you agree this letter constitutes a proper demand.

The purpose of this correspondence is to encourage Home-Owners to resolve Your Insured's claim in a fair and equitable manner in hopes of avoiding litigation. If you fail to respond to this letter with an offer of settlement that is acceptable to Your Insured, we will have no alternative other than recommending to Your Insured that a lawsuit be filed against you.

Payment must be received in my office within sixty (60) days of your receipt of this letter in order to avoid a suit for bad faith penalties and attorney's fees. Any check issued should list Huggins Law Firm, LLC as sole payee. Any objection to these payment terms shall be submitted in writing to Huggins Law Firm, LLC within 10 days of receipt of this letter.

I look forward to working with you to resolve this matter quickly and amicably. Please feel free to contact me should you have any questions regarding this formal 60-day demand. Should you have any questions or concerns, please reach out to me at mdturner@lawhuggins.com or by phone at (770) 913-6229.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael D. Turner".

Michael D. Turner, Esq.
Attorney at Law

MDT/
Encl.

SWORN STATEMENT IN PROOF OF LOSSCLAIM NO. 300-0180103-2022

It is understood and agreed that the furnishing of this blank form and any assistance by any representative of the Company in completing it, does not waive any rights of the Company under any conditions of the policy.

The policy names Heri Aum, LLC as the insured and is/was effective from 12:01 a.m. 4/1/2021 to 12:01 a.m. 4/1/2022. Policy number under which you have filed a claim is 204618-36336678-21.

1. **Time and Origin:** A wind/hail loss occurred on the 30th day of March, 2022, at 12:00 ☒ AM ☐ PM caused by wind/hail.
2. **Occupancy:** The building described or containing the property insured was occupied for no other purpose than the following: hotel.
3. **Title and Interest:** At the time of the loss the interest of the Insured in the property described was sole and unconditional ownership and no other person or persons had any interest therein, lien or encumbrance thereon, except: Business Loan Capital Inc. ISAO; The National Slovak Society of the United States; Marriott International Inc.; US Small Business Admin., c/o Florida Business Dev. Corp.; US Small Business Administration, c/o Florida
4. **Changes:** The following changes have occurred in the title, use, occupancy or possession of the property since the policy was written. If none, please say so. None.
5. **Other Insurance:** List any and all insurance policies or binders that you or anyone else has that may cover any of the property for which a claim is included, oral or written None.
6. **Damages:** Please itemize the damage or loss within each of these categories:

Coverage Involved	Replacement Cost of Damage	Actual Cash Value of Damage	Total Insurance Under this Policy	Amount Claimed Under this Policy
Building	\$140,741.50	\$140,741.50	\$8,552,800.00	\$140,741.50
TOTALS	\$140,741.50	\$140,741.50	\$8,552,800.00	\$140,741.50

I understand I must support my claim through the submission of appropriate documentation and that whether submitted by me or on my behalf, any such submissions are material representations in making this claim. I understand that if my claimed amount is based upon replacement cost, if such policy provisions exist, those provisions must be met before such portions of the loss are payable.

I have not intentionally caused this loss. I have not in any way done anything to violate the conditions of the policy. The loss or damage did not occur as a result of my willful act or failure to act. I have not in any manner concealed any fact about the loss or tried to deceive the Company as to the extent of the loss. I will provide any other information that may be necessary to support my claim and have reviewed statutory fraud provisions on the back of this form.

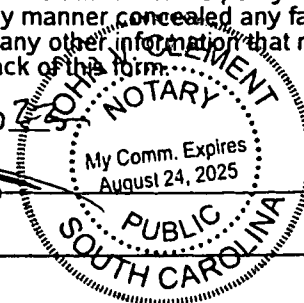
Subscribed and sworn to before me this 1st day of August, 2022.

State of South Carolina County of Greenville

[Signature]
Insured

[Signature]
Notary Public

[Signature]
Insured



(PLEASE REFER TO FRAUD LANGUAGE ON BACK BEFORE SIGNING)

**Catastrophic Consulting, Inc.**

269 Market Place Blvd., Suite 307
 Cartersville, GA 30121
 Office #: 770-334-2561
 administration@catconinc.com

Insured: Fairfield Inn & Suites C/O Heri Aum LLC
 Property: 1255 WALKER AVE
 Business: 1255 WALKER AVE
 EAST POINT, GA 30344-5014

Claim Rep.: Tim Varga
 Position: Building Const Consult
 Company: Catastrophic Consulting, Inc.
 Business: 269 Market Place Blvd., Suite 307
 Cartersville, GA 30121

Business: (678) 602-3612
 E-mail: timvarga@catconinc.com

Estimator: Tim Varga
 Position: Building Const Consult
 Company: Catastrophic Consulting, Inc.
 Business: 269 Market Place Blvd., Suite 307
 Cartersville, GA 30121

Business: (678) 602-3612
 E-mail: timvarga@catconinc.com

Reference:
 Company: Auto Owners
 Business: PO Box 30660
 Lansing, GA 48909

Business: (844) 296-4053
 E-mail: AOCat@aoins.com

Claim Number: 300-0180103-2022**Policy Number:** 36336678**Type of Loss:** <NONE>

Date of Loss: 3/30/2022
 Date Inspected:

Date Received: 5/23/2022
 Date Entered: 5/24/2022 5:09 PM

Price List: GAAT8X_JUL22
 Restoration/Service/Remodel
 Estimate: FAIRFIELD_INN_CATCON

This estimate was created using normal industry standards, compliant to the 2018 International One and two family Residential Code Guide, the manufacturers installation instructions and all Federally mandated safety protocols. This estimate is not a guaranty of workmanship or quality and is not being presented as a bid for work by CatCon, Inc. CatCon, Inc. is not a contracting company and will not be assuming any responsibility or liability for missing items, errors in actual measurements or any workmanship related issues b y the clients chosen contractor. The pricing values represent "industry average" as collected and reported by Xactware Solutions, the software provider for the program implemented in the estimating process.

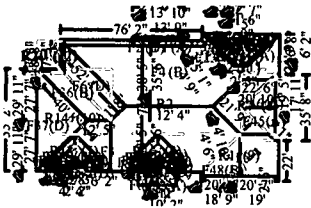
**Catastrophic Consulting, Inc.**

269 Market Place Blvd., Suite 307
 Cartersville, GA 30121
 Office #: 770-334-2561
 administration@catconinc.com

FAIRFIELD_INN_CATCON

Source - Eagle View

Source - Eagle View

**R2**

10729.77 Surface Area
 407.39 Total Hip Length

107.30 Number of Squares
 296.72 Total Ridge Length

DESCRIPTION	QUANTITY	UNIT PRICE	TAX	O&P	RCV	DEPREC.	ACV
1. Tear off, haul and dispose of comp. shingles - Laminated	103.30 SQ	138.43	0.00	2,859.96	17,159.78	(0.00)	17,159.78
2. Remove Additional charge for high roof (2 stories or greater)	103.30 SQ	14.25	0.00	294.40	1,766.43	(0.00)	1,766.43
3. Laminated - comp. shingle rfg. - w/out felt	123.67 SQ	231.19	984.98	5,915.26	35,491.51	(0.00)	35,491.51
4. Roofing felt - 15 lb.	107.30 SQ	31.24	49.50	680.32	4,081.87	(0.00)	4,081.87
5. Additional charge for high roof (2 stories or greater)	107.30 SQ	19.18	0.00	411.60	2,469.61	(0.00)	2,469.61
6. Asphalt starter - universal starter course	416.00 LF	1.83	13.98	155.06	930.32	(0.00)	930.32
7. R&R Ridge cap - Standard profile - composition shingles	509.23 LF	7.87	84.12	818.36	4,910.12	(0.00)	4,910.12
8. R&R Continuous ridge vent - aluminum	158.00 LF	10.83	37.49	349.74	2,098.37	(0.00)	2,098.37
9. Valley metal	381.00 LF	5.48	54.14	428.40	2,570.42	(0.00)	2,570.42
10. Drip edge/gutter apron	416.00 LF	2.83	36.98	242.86	1,457.12	(0.00)	1,457.12
11. R&R Flashing - pipe jack	12.00 EA	63.06	10.97	153.54	921.23	(0.00)	921.23
12. Detach & Reset Roof vent - dormer type - Metal	6.00 EA	79.16	0.30	95.06	570.32	(0.00)	570.32
13. Flashing, 20" wide	21.00 LF	4.39	2.81	19.00	114.00	(0.00)	114.00
14. Step flashing	224.00 LF	9.39	24.15	425.52	2,553.03	(0.00)	2,553.03
15. R&R Counterflashing - Apron flashing	76.00 LF	11.03	7.71	169.20	1,015.19	(0.00)	1,015.19
16. Digital satellite system - Detach & reset	3.00 EA	38.09	0.00	22.86	137.13	(0.00)	137.13
17. Digital satellite system - alignment and calibration only	3.00 EA	114.26	0.00	68.56	411.34	(0.00)	411.34
18. Fall protection harness and lanyard - per week	10.00 WK	22.00	0.00	44.00	264.00	(0.00)	264.00
19. Roofer - per hour	6.00 HR	122.25	0.00	146.70	880.20	(0.00)	880.20
Expense associated with labor to install line safety for lanyard connections for all roofing workers							
20. Material Only ROOFING Post Anchors	2.00 EA	289.00	40.46	123.70	742.16	(0.00)	742.16
roof mount post anchors for safety line attachment. safety line is a cable connected to both posts attached to the roof. The roofing workers lanyards are attached to this anchoring system in order to comply with OSHA fall safety.							
21. Material Only ROOFING safety line cable for post anchor	1.00 EA	389.00	27.23	83.24	499.47	(0.00)	499.47

**Catastrophic Consulting, Inc.**

269 Market Place Blvd., Suite 307
 Cartersville, GA 30121
 Office #: 770-334-2561
 administration@catconinc.com

CONTINUED - R2

DESCRIPTION	QUANTITY	UNIT PRICE	TAX	O&P	RCV	DEPREC.	ACV
roof mount post anchors for safety line attachment. safety line is a cable connected to both posts attached to the roof. The roofing workers lanyards are attached to this anchoring system in order to comply with OSHA fall safety.							
Totals: R2			1,374.82	13,507.34	81,043.62	0.00	81,043.62
Total: Source - Eagle View			1,374.82	13,507.34	81,043.62	0.00	81,043.62
Total: Source - Eagle View			1,374.82	13,507.34	81,043.62	0.00	81,043.62

General Conditions

DESCRIPTION	QUANTITY	UNIT PRICE	TAX	O&P	RCV	DEPREC.	ACV
22. Heavy Equipment (Bid Item) Crane for lifting materials onto the roof	1.00 EA	12,402.00	0.00	2,480.40	14,882.40	(0.00)	14,882.40
23. Temporary Repairs (Bid Item) toilet restroom*	1.00 EA	520.06	0.00	104.02	624.08	(0.00)	624.08
24. Temporary Repairs (Bid Item) Fence* Material staging and material protection	1.00 EA	2,763.82	0.00	552.76	3,316.58	(0.00)	3,316.58
25. Barricade and warning device - setup and takedown	3.00 HR	61.08	0.00	36.64	219.88	(0.00)	219.88
26. Barricade/warning sign/traffic cone - Min. equip. charge	5.00 EA	52.50	0.00	52.50	315.00	(0.00)	315.00
27. Caution tape	5,000.00 LF	0.09	3.50	90.70	544.20	(0.00)	544.20
28. Traffic cones (per unit, per day)	200.00 DA	0.83	0.00	33.20	199.20	(0.00)	199.20
29. Scaffolding (Bid Item) for 3 shutes installtion*	1.00 EA	21,691.00	0.00	4,338.20	26,029.20	(0.00)	26,029.20
30. Scaffold - per section (per week) temp egress framing for hotel personnel entering and leaving	30.00 WK	51.21	0.00	307.26	1,843.56	(0.00)	1,843.56
31. R&R Underlayment - 5/8" OSB installed on top of scaffolding to act as a cover protection for egress	192.00 SF	3.74	20.16	147.66	885.90	(0.00)	885.90
32. R&R Tarp - all-purpose poly - per sq ft (labor and material) covering of the pool to protect from falling debris	1,200.00 SF	1.06	24.36	259.28	1,555.64	(0.00)	1,555.64
33. Commercial Supervision / Project Management - per hour allows for 2 weeks of supervision	80.00 HR	77.94	0.00	1,247.04	7,482.24	(0.00)	7,482.24
34. Taxes, insurance, permits & fees (Bid Item)	1.00 EA	1,500.00	0.00	300.00	1,800.00	(0.00)	1,800.00
Totals: General Conditions			48.02	9,949.66	59,697.88	0.00	59,697.88

**Catastrophic Consulting, Inc.**

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 Cartersville, GA 30121
 Office #: 770-334-2561
 administration@catconinc.com

Line Item Totals: FAIRFIELD_INN_CATCON	1,422.84	23,457.00	140,741.50	0.00	140,741.50
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Grand Total Areas:

0.00 SF Walls	0.00 SF Ceiling	0.00 SF Walls and Ceiling
0.00 SF Floor	0.00 SY Flooring	0.00 LF Floor Perimeter
0.00 SF Long Wall	0.00 SF Short Wall	0.00 LF Ceil. Perimeter
0.00 Floor Area	0.00 Total Area	0.00 Interior Wall Area
27,494.04 Exterior Wall Area	0.00 Exterior Perimeter of Walls	
10,729.77 Surface Area	107.30 Number of Squares	0.00 Total Perimeter Length
296.72 Total Ridge Length	407.39 Total Hip Length	

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Summary for Dwelling

Line Item Total	115,861.66
Material Sales Tax	1,422.84
Subtotal	117,284.50
Overhead	11,728.50
Profit	11,728.50
Replacement Cost Value	\$140,741.50
Net Claim	\$140,741.50

Tim Varga
 Building Const Consult

**Catastrophic Consulting, Inc.**

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Recap of Taxes, Overhead and Profit

	Overhead (10%)	Profit (10%)	Material Sales Tax (7%)	Storage Rental Tax (7%)	Local Food Tax (3%)
Line Items	11,728.50	11,728.50	1,422.84	0.00	0.00
Total	11,728.50	11,728.50	1,422.84	0.00	0.00

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Recap by Room**Estimate: FAIRFIELD_INN_CATCON****Area: Source - Eagle View****Area: Source - Eagle View****R2****66,161.46 57.10%****Area Subtotal: Source - Eagle View****66,161.46 57.10%****Area Subtotal: Source - Eagle View****66,161.46 57.10%****General Conditions****49,700.20 42.90%****Subtotal of Areas****115,861.66 100.00%****Total****115,861.66 100.00%**

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Recap by Category

O&P Items	Total	%
GENERAL DEMOLITION	18,173.53	12.91%
ELECTRICAL - SPECIAL SYSTEMS	342.78	0.24%
HEAVY EQUIPMENT	12,402.00	8.81%
FLOOR COVERING - VINYL	468.48	0.33%
PERMITS AND FEES	1,500.00	1.07%
LABOR ONLY	6,235.20	4.43%
ROOFING	47,770.75	33.94%
SCAFFOLDING	23,447.30	16.66%
TEMPORARY REPAIRS	5,521.62	3.92%
O&P Items Subtotal	115,861.66	82.32%
Material Sales Tax	1,422.84	1.01%
Overhead	11,728.50	8.33%
Profit	11,728.50	8.33%
Total	140,741.50	100.00%



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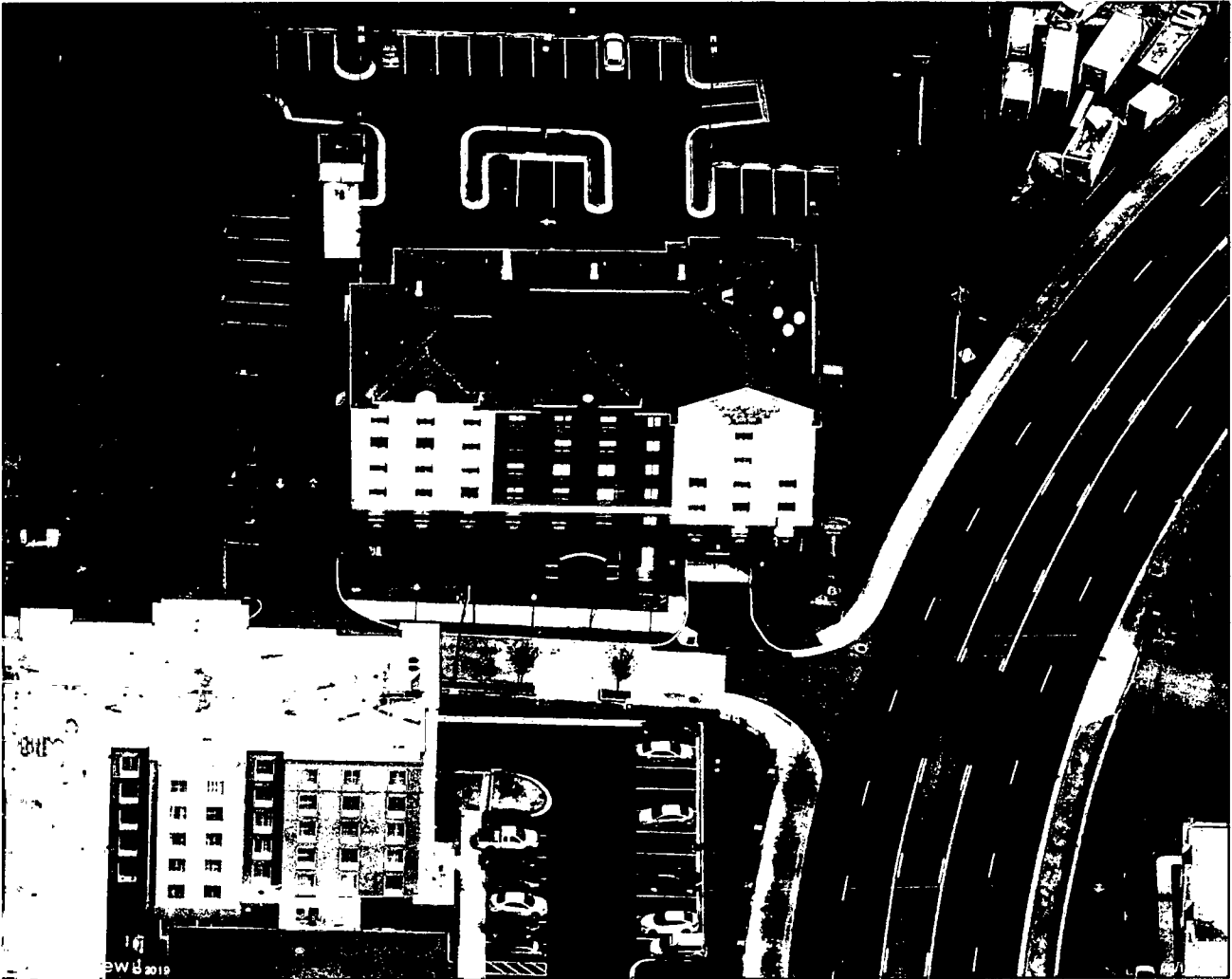
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2 NorthImage.JPG



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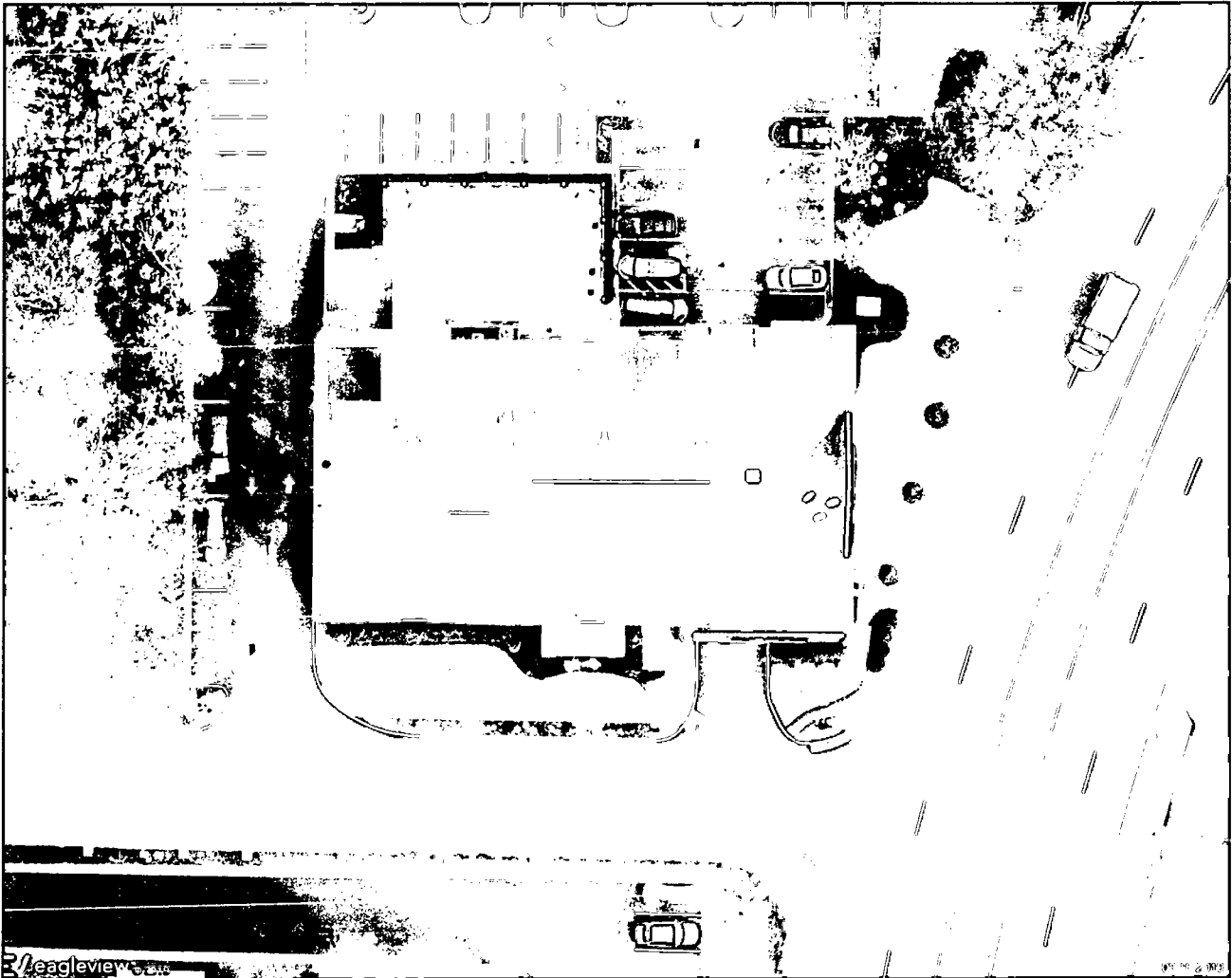
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Office #: 770-334-2561
administration@catconinc.com



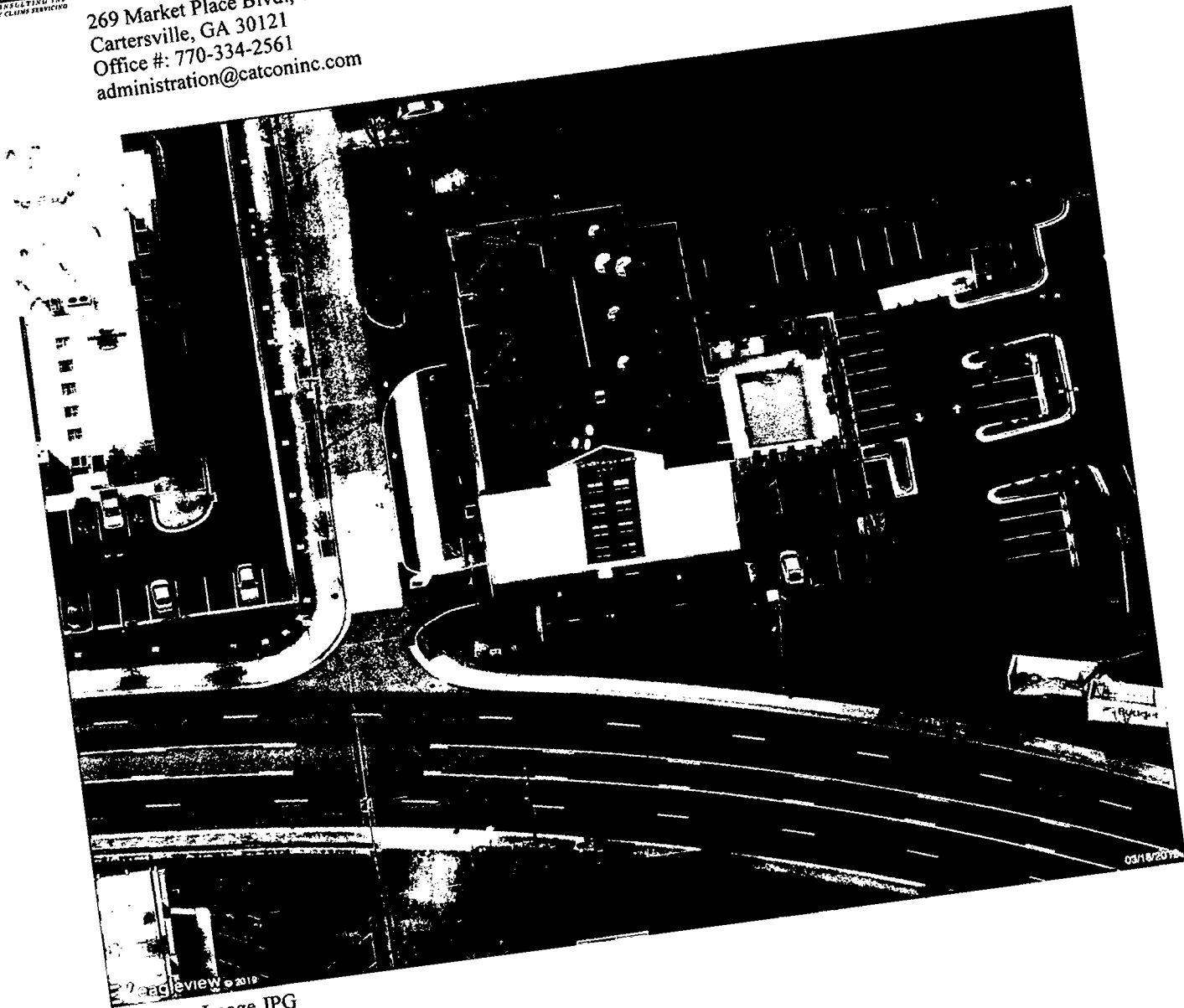
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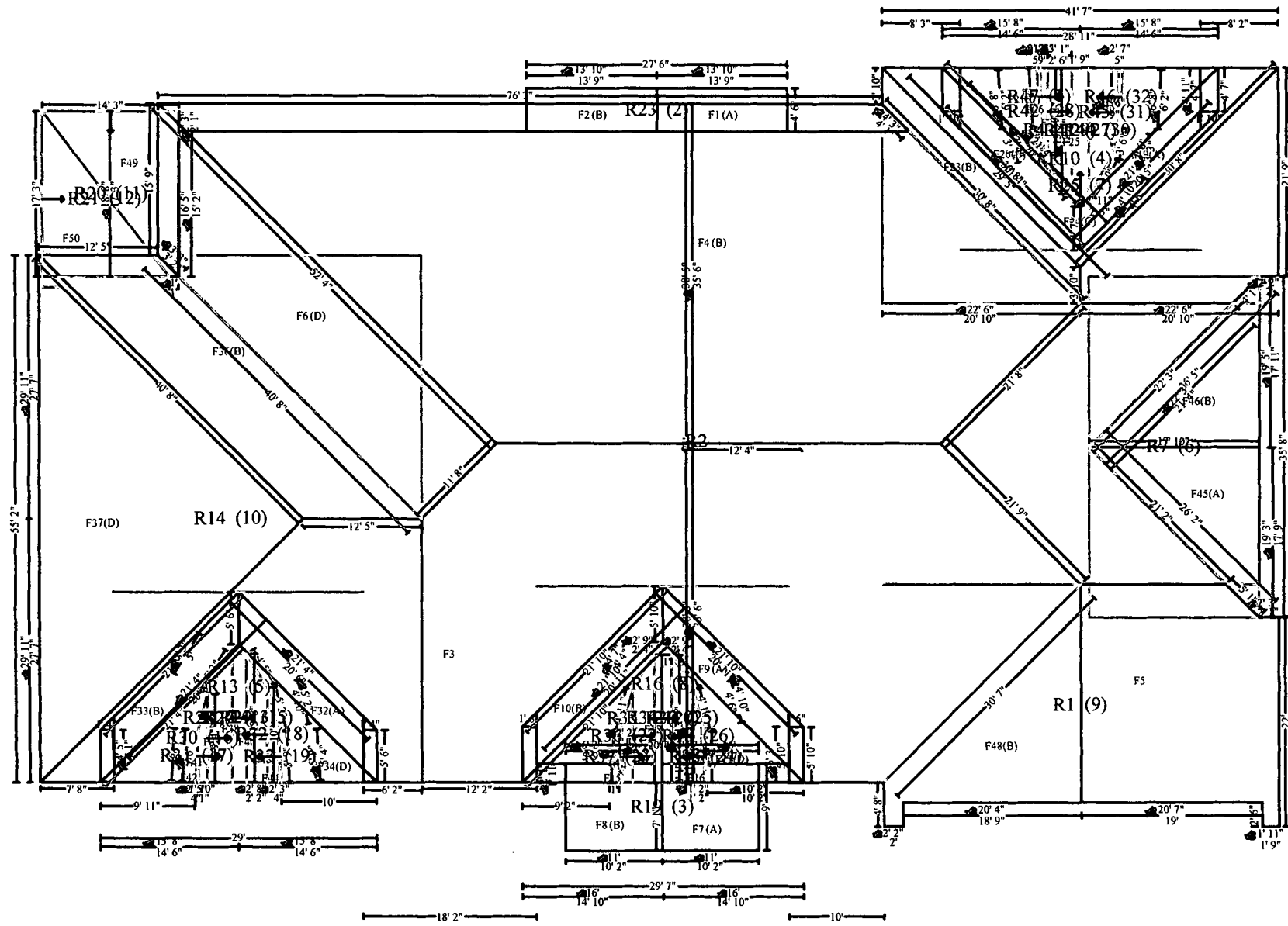
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7/26/2022

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FAIRFIELD_INN_CATCON

Source - Eagle View - Source - Eagle View



Source - Eagle View



www.phoenixcrane.com

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Account Information

Account Name Clear Skies Restoration
Industry Roofing

Quote Number 00001986

Contact Information

Contact Name VJ Hans
Title Operations Manager
Mobile 770-820-7250
Phone 770-820-7250
Email vj@csrlocal.com

Prepared By James Hughett
Title Crane Specialist
Phone (404) 696-1522
Email jhughett@phoenixcrane.com

Job Location

Street 1255 Walker Ave
State GA

City East Point
Zip Code 30344

Job Details

Description Loading roofing material on roof @ 50' radius

Quote Line Items

Product	Sales Price	Quantity	Fuel Surcharge %	Item Quote Price
40 Ton	\$185.00	56.00	10	\$11,396.00
Operator Travel	\$65.00	6.00	0	\$390.00
Overtime 5:30p-5:30a and/or Sat-Sun	\$35.00	16.00	10	\$616.00

Totals

Total Quote Price \$12,402.00
Created Date 7/15/2022
Expiration Date 10/7/2022

Line Item Information

**Overtime charges will be billed if time worked is before 5:30 AM and/or after 5:30 PM, as well as weekends and Holidays (+\$35/hr if 75ton crane or smaller, +\$70/hr if 100ton crane or larger)*

***Additional charges for anything not listed above presented prior to commencement of work to be performed will be charged at the hourly rate of the crane quoted.*

****The Lessee (Customer) agrees that Lessor's (Phoenix Crane Service Inc. DBA Phoenix Crane Rental Company) liability and obligations are limited to the amount Lessor is legally liable for or the policy limits available at the time of a loss, whichever is less.*

***** Authorized Signature: In the event this agreement has been executed by an individual on behalf of a corporation or other business entity, the person whose signature is affixed hereto and the company for which the individual has signed this agreement, represent to Lessor that the individual has full authority to execute this agreement on behalf of said corporation or other business entity.*

Customer Print: _____

Signature: _____

Date: _____



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Misc Information

- **Crane Rental Conditions for Phoenix Crane Rental:**

- Rental equipment rates and start/end times are based from "portal to portal" time (travel to & from the job and Phoenix Crane yard), setup time, "Hook-Related" time, and dismantle time
- Rental hours in excess of minimum allotted time, including delays that are beyond our control, are to be billed actual time at the appropriate hourly rate.
- We are not responsible for any delays caused by events or circumstances beyond our control, including but not limited to acts of God, weather conditions, strikes/lockouts, unsuitable site conditions, or any delay caused by others at the jobsite. In the event our work is delayed or suspended through no fault of our own, Customer will be responsible for equipment rental rates.
- Jobsite safety orientation, drug testing, either onsite or off-site, charged at hourly rate of crane quoted herein.

- **General Terms and Conditions**

- Crane(s) must always be directed by qualified signalperson and all materials being lifted to be rigged by a qualified rigger, as per OSHA Crane and Derricks Standard (1926.1400).
- If crane(s) or its components become immobilized from poor site related conditions and insufficient access, contractor agrees to pay any and all extraction (tow) charges and or any other related expenses to release crane(s) or it's ancillary components (Trucks, etc.)
- Customer assumes all responsibility and reliability to ensure the adequacy and the design and strength of any lifting lug or device embedded in or attached to any object.
- Crane rental minimum hours will be charged at quoted rates for no show/no call by the customer on confirmed rental date and time.
- Customer agrees to have fully authorized agent on-site for the duration of the work being performed to sign off on all job tickets at both the arrival and departure of men and/or equipment.
- Customer is responsible for confirming all dimensions and weights that are used in determining crane size and configuration.

- **Site Specific Related**

- **[If Required]** - Property release/liability waiver form must be signed
- Phoenix Crane shall not be liable for any damage caused by our equipment to driveways, parking lots, curbs, shrubs, trees, underground structures, or any other surfaces.
- Sufficient access must be provided for crane and all crane-related components to ensure proper setup, breakdown, and crane operation. Sufficient access also includes site preparation, security, de-energizing/removal power lines, tree/brush clearing, vehicle and equipment removal from the jobsite.
- Customer agrees to assure that soil, ground and site conditions are proper to support the combined weight of the cranes, equipment, rigging and load, and assumes full responsibility for the same per OSHA §1926.1402
- **IF Site Unseen** – Obstacles preventing proper setup, breakdown, egress, and ingress may exist. If so, the crane size quoted may become compromised if a Site Assessment is not made by a Phoenix Crane Sales Representative prior to the start of the job. A change order will be necessary if we deem another crane will be required outside of the crane quoted post-site assessment.
- Customer is responsible for any required crowd and/or traffic control measures, street permits, barricades, re-routing of traffic, flagmen, lighting, utilities control, and procuring at its own expense all necessary permits and clearances required in connection with the foregoing, as well as complying with all FAA laws and regulations.
- Customer shall be responsible for any/all damages to Phoenix Crane equipment if left on-site (setup or parked) while unattended by Phoenix Crane's personnel

- **General Admin./Paperwork Related**

- Certificate of Insurance shall be provided to the customer upon request.
- An approved credit application or credit card payment is required for new customers prior to crane rental.
- Add \$25.00/hr. per person to the above rates should prevailing wage controls apply.



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- **[If Required]** - Customer is responsible for cost of 3RD party crane inspection. Hourly rate of crane quoted herein applies during 3RD party inspection.
- **[If Required]** - Customer to supply or pay for any parking fees and/or fines that may be applicable for the job site.
- Quote based on availability of crane.
- Prices valid for sixty (60) days from date of quote.
- No Retainage Allowed.

We appreciate the opportunity to quote on your hoisting requirements. If we can be of further assistance, or if you have any additional questions, please don't hesitate to contact us.



ATLANTA
200 MENDEL DR. SW
ATLANTA GA 30336

PHONE: 770-908-2936
FAX: 678-846-9842

RENTAL QUOTATION**QUOTATION NO. : 77467**

CUSTOMER # : PROS0003
CUSTOMER : CLEAR SKIES RESTORATION

SITE : FARIFIELD INN AND
SUITES
ATLANTA GA 30309

DATE OF QUOTE : 4/8/2022**RENTAL TERMS :** MINIMUM 28 DAYS**QUOTED BY :** AUSTIN CROWE**PAYMENT TERMS :** ON RECEIPT**SALES PERSON :** AUSTIN CROWE**PHONE :**

EMAIL : ACROWE@STONEMOUNT
AINACCESS.COM

ADDRESS: 2475 NORTHWINDS PKAY
UNIT 200
ALPHARETTA GA 30009

ORDERED BY : VJ HANS
CELL :

CONTACT :
PHONE :
CELL :

PAGE 1 OF 2

QTY.	ITEM CODE	DESCRIPTION	MIN. RENTAL AMOUNT	UNIT PRICE	EXTENDED AMOUNT
SCOPE OF WORK					
INSTALL (3) 60' TALL TRASH CHUTES FOR THE CUSTOMER TO REMOVE THE ROOFING DEBRIS. THE TRASH CHUTES WILL BE FRAMED OUT OF 60' TALL SCAFFOLDING TOWERS AND TIED INTO THE BUILDING FOR STABILITY SUPPORT. THE TRASH CHUTES WILL BE 30 INCH WIDE CHUTES AND SECURED TO THE SCAFFOLDING.					
1.00		SCAFFOLD RENTAL (PER 28 DAYS)	\$3,490.00		\$3,490.00
1.00		LABOR - ERECT TRASH CHUTE		\$5,180.00	\$5,180.00
1.00		LABOR - DISMANTLE TRASH CHUTE		\$3,650.00	\$3,650.00
1.00	HARD COST	HARD COST		\$585.00	\$585.00
1.00		DELIVERY CHARGES		\$500.00	\$500.00
1.00		PICKUP CHARGES		\$500.00	\$500.00
SCOPE OF WORK					
INSTALL 4 SYSTEM SCAFFOLD OVER HEAD PROTECTIONS ABOVE THE DOOR WAYS OF THE BUILDING WHERE THE ROOFING WORK WILL OCCUR. THE FIRST 4 OHP'S WILL BE 10' WIDE, 10' LONG AND 8' TALL. WE WILL ALSO INSTALL 2 LONGER OVER HEAD PROTECTIONS AT THE CAR TUNNEL ENTRANCE/EXIT THAT WILL BE APPROXIMATELY 10' WIDE, 10' TALL AND 24' LONG.					
1.00		SCAFFOLD RENTAL (PER 28 DAYS)	\$800.00		\$800.00
1.00		LABOR - ERECTION SCAFFOLD		\$2,480.00	\$2,480.00
1.00		LABOR - DISMANTLE SCAFFOLD		\$1,880.00	\$1,880.00
1.00	HARD COST	HARD COST		\$1,426.00	\$1,426.00
1.00		DELIVERY CHARGES		\$600.00	\$600.00
1.00		PICKUP CHARGES		\$600.00	\$600.00

PHONE: 770-908-2936
FAX: 678-846-9842

QUOTATION NO. : 77467

PAGE 2 OF 2

STANDARD NOTES:

- 1 Erection schedule is based on working straight time hours (Monday through Friday from 7:00 am to 3:30 pm) excluding holidays.
2 The scaffolding will be built in an area that is free of debris, ready for scaffolding, and is capable of supporting the live and dead-loads placed upon it by the scaffolding.
3 Contractor is responsible for inspection the scaffolding daily.
4 If anchoring is required, repairing of anchor penetrations is the customer's responsibility.
5 After the first 28 days, rental rates are pro-rated daily.
6 Pricing is based upon our written specifications in the "Scope of Work". There is no standby time in this quote. Should the "Scope of Work" change, additional labor pricing will be based upon "Cost plus rates."
7 Pricing is based on the ability to stage material within 20 feet of the build site.
8 All Contracts are subject to the Terms and Conditions detailed on the final page of this quote.
9 Pricing is subject to change upon site verification
10 Customer is required to provide a Notice of Commencement before the start of the project.

***QUOTE TOTAL DOES NOT INCLUDE APPLICABLE TAXES**

TERMS & CONDITIONS

Stone Mountain Access Systems, Inc., and Stone Mountain Access Group, Inc., herein collectively referenced as the "Lessor," or the "Seller," hereby leases to the Customer identified above, herein referenced as the "Lessee," or the "Purchaser," the property identified and described within the following pages hereto, all of which are by this reference incorporated herein as though fully set forth, hereinafter referenced as the "Equipment," and the Lessee hereby leases said Equipment from the Lessor, agreeing to timely pay rent therefor, and repair or replacement charges as may be assessed by the Lessor.

1. **TERMS AND CONDITIONS:** Each and every of the following Terms and Conditions are a material part of this Lease Agreement between the Lessee/Purchaser and the Lessor/Seller, and are by this reference incorporated into this Lease Agreement as though fully set forth, in hac verba.
2. **DEFINITIONS:** As used herein, the term "Lessor/Seller," shall mean Stone Mountain Access Systems, Inc.; the term "Lessee/Purchaser," shall mean the Customer whose identity is reflected within this Lease Agreement; the term "Equipment," shall mean all and personal property owned by or which the Lessor/Seller legally possesses, and which is leased to the Lessee/Purchaser pursuant to this Lease Agreement, and covered by this Lease Agreement.
3. **GRANT OF LEASE:** The Lessor/Seller hereby leases to the Lessee/Purchaser, and the Lessee/Purchaser hereby leases from the Lessor/Seller, the Equipment described herein for the period of time during which the Equipment remains in the use or custody, whether actual or constructive, of the Lessee/Purchaser, for the rent reflected herein, and the Lessee/Purchaser hereby promises to pay all rent assessed by the Lessor/Seller and all other charges imposed by the Lessor/Seller relative thereto, including but not limited to finance charges, late charges, collection charges including attorney fees, charges assessed for cleaning, and/or repairs, and/or replacement of Equipment, transportation charges, and the like.
4. **LEASE TERM:** The lease term is 28 calendar days, unless a shorter term is allowed by the Lessor/Seller, and the term shall automatically renew for successive 28-day periods, unless the lease term is properly terminated. The lease term commences on the day the Equipment is picked up by Lessee/Purchaser or its agent, or is delivered to the Lessee/Purchaser by the Lessor/Seller, and terminates on the 28th day of the term, providing that the Equipment is returned to the Lessor/Seller in substantially the same condition as when first delivered to or picked up by the Lessee/Purchaser. Lessee/Purchaser agrees to physically return all leased Equipment to the Lessor/Seller upon termination of the lease term, unless the Lessor/Seller has expressly agreed in writing, that the Lessor/Seller will pick up the Equipment from the Lessee/Purchaser, which return delivery will be at the Lessee/Purchaser's expense.
5. **USE OF EQUIPMENT - USER:** Lessee/Purchaser agrees that this Lease Agreement is between Lessor/Seller and Lessee/Purchaser only; that the Equipment shall be used exclusively by the Lessee/Purchaser or its employees; that the Lessee/Purchaser shall not sublet or assign this Lease Agreement, or allow any other person, entity, or trade to use the Equipment; that the Equipment will not be removed from the job address reflected at the "ship to" section on the front side of this Lease Agreement; that the Lessee/Purchaser shall not make any alteration to the Equipment, and shall not alter, deface, cover up or conceal any numbering, lettering, insignia or labels displayed on the Equipment; and that the Lessee/Purchaser shall at all times keep the Equipment secure against unauthorized use, vandalism or theft. The Lessee/Purchaser hereby represents and warrants that it has received written instructions relating to the operation of the Equipment and written instructions relating to the safe use of the Equipment from the Lessor/Seller, and has read and understands such instructions relating to the proper and safe use of the Equipment. The Lessee/Purchaser further represents and warrants to the Lessor/Seller, that each and every person who uses the Equipment shall be required to read and understand the operational and safety instructions and that the Lessee/Purchaser shall prohibit the use of the Equipment by any person who is incapable of using the Equipment properly and safely, and shall not entrust the use of the Equipment to any person who is permanently or temporarily incapable of its safe use. In the event the Lessee/Purchaser intends the Equipment to be used by any otherwise competent person who does not read and understand the English language, the Lessee/Purchaser shall cause the operational and safety instructions to be read to such person in his or her primary language. The Lessee/Purchaser shall not allow the Equipment to be used by any person who is intoxicated, under the influence of drugs (whether prescription or illegal) or disabled.
6. **INSURANCE:** The Lessee/Purchaser shall, during the term of this Lease Agreement, provide and maintain at the Lessee/Purchaser's sole cost and expense, insurance covering the Equipment against all risks of loss or damage from every cause whatsoever for no less than the full replacement value thereof, and shall carry comprehensive public liability and property damage insurance with contractual liability and proof of coverage for rented equipment, and said insurance policy will name Lessor/Seller as an additional insured party and a loss payee. Additionally, the Lessee/Purchaser shall, during the entire term of this Lease Agreement provide and maintain at the Lessee/Purchaser's sole cost and expense, each of the following insurance policies, each and every naming Lessor/Seller as an additional insured party: Primary and Non-Contributory General Liability Insurance with coverage no less than one million (\$1,000,000.00) dollars; Hired and non-owned Auto Liability Insurance with coverage no less than one million (\$1,000,000.00) dollars; and Workers Compensation insurance with coverage no less than five hundred fifty thousand (\$550,000.00) dollars per occurrence for bodily injury, five hundred thousand (\$500,000.00) dollars per employee for bodily injury, and five hundred thousand (\$500,000.00) dollar policy limit for bodily injury by disease. The Lessee/Purchaser warrants and agrees to waive any and all subrogation rights and claims of subrogation against Lessor/Seller.
7. **INSPECTION:** Lessor/Seller hereby acknowledges that it has inspected all Equipment subject to this Lease and has found the same to be in sound and safe condition and adequate for the purpose intended by the Lessee/Purchaser. The Lessee/Purchaser hereby agrees to inspect all leased Equipment located at the "ship to" address, or at any location where the Equipment may be used, prior to any use by the Lessee/Purchaser or its employees, and shall regularly and continuously inspect such Equipment at all times throughout the lease term. Unless the Lessee/Purchaser tenders prior written notice to the Lessor/Seller specifying any defect in, or any other objection to the condition or usefulness of the Equipment, Lessee/Purchaser agrees that it shall be conclusively presumed, as between the Lessor/Seller and Lessee/Purchaser, that the Lessee/Purchaser has fully inspected the Equipment and acknowledged that the Equipment was and is in good and safe condition and repair, and that Lessee/Purchaser is satisfied with and has accepted and retained the Equipment in such good and safe condition and repair.
8. **DISCLAIMER OF WARRANTIES:** THE LESSEE/PURCHASER HEREBY ACKNOWLEDGES THAT THE LESSOR/SELLER IS NOT THE MANUFACTURER OF ANY OF THE EQUIPMENT SUBJECT TO THIS LEASE AGREEMENT, NOR THE AGENT OF ANY MANUFACTURER AND, THEREFORE, THE LESSOR/SELLER MAKES NO WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR THAT THE EQUIPMENT IS, OR WILL BE SUITABLE FOR ANY PARTICULAR PURPOSE. LESSEE/PURCHASER EXPRESSLY UNDERSTANDS THAT THE EQUIPMENT IS PROVIDED "AS IS" AND "WITH ALL FAULTS" AND THAT LESSEE/PURCHASER AGREES TO TAKE SUCH EQUIPMENT UNDER SUCH KNOWLEDGE AND CONDITION.
9. **NOTIFICATION:** In the event of an occurrence resulting in bodily injury, property damage or equipment damage, the Lessee/Purchaser shall, within 12 hours of its discovery, notify the Lessor/Seller and provide all known information relating to such occurrence. As used herein, the term "occurrence" shall include, but not be limited to Equipment disappearance or theft, or injury to person or property which is, or is claimed to be, or appears to have occurred by or in the vicinity of the Equipment. In the event of such occurrence, the Lessee/Purchaser shall secure all Equipment and maintain the surrounding premises in the condition existing at the time of such occurrence until the Lessor/Seller, or any of its authorized agents, investigators, attorneys, or other designated personnel investigates the Equipment and/or the surrounding premises. The Lessor/Seller retains the exclusive right to reclaim any Equipment involved in any occurrence and to thereafter replace same with comparable equipment.
10. **TITLE:** Title to all leased Equipment shall remain at all times vested in the Lessor/Seller. If any attempt is made by a creditor of the Lessee/Purchaser to levy on or attach the Equipment, the Lessor/Seller may retake such Equipment with or without legal process. If it is necessary to litigate the title to the Equipment by a trial of right of property, the Lessee/Purchaser shall indemnify the Lessor/Seller for all costs, including attorney fees incurred in the protection of the Lessor/Seller's leased Equipment. If any of the leased Equipment is lost, pilfered, sold, liquidated or transferred to any creditor of the Lessee/Purchaser, the Lessee/Purchaser shall reimburse the Lessor/Seller the sum reflected on the front page of this Lease Agreement as the value of the leased Equipment, which in no event shall be less than the leased Equipment manufacturer's current list price. The leased Equipment is, and at all times remains, the personal property of the Lessor/Seller, notwithstanding that any leased Equipment or any part of it, may be attached to real property, or any building, or improvement thereon, by fasteners or other methods.
11. **NON-WAIVER:** The failure of the Lessor/Seller at any time to insist upon strict performance by the Lessee/Purchaser of the terms and conditions herein reflected shall not be construed as a waiver of the Lessor/Seller's right to demand strict compliance in future. The express waiver of one provision in this Lease Agreement shall not be deemed a waiver of any other provision of this Lease Agreement.
12. **DEFAULT:** If the Lessee/Purchaser in any way fails to observe, keep, or perform any of the terms, conditions, or provisions of this Lease Agreement, the Lessor/Seller shall have the right to exercise, concurrently or separately, any one or more of the following remedies: (a) To terminate this Lease Agreement as to any and all items of leased Equipment (b) to declare the entire rent hereunder, through the date upon which the leased Equipment is returned to the Lessor/Seller's facility, immediately due and payable and to pursue all legal remedies for the payment of such rent, (c) to retake possession of the leased Equipment, and hold the Lessee/Purchaser fully liable for all rent, and (d) to pursue any and all other remedies legally available to the Lessor/Seller.

13. **TERMS OF PAYMENT:** Payment is due upon commencement of the lease term, or the date of shipment for purchased property, and the Lessee/Purchaser agrees to pay a monthly service charge to 1.5% on all sums due over 30 days

14. **NON-RETURNED, UNCLEAN OR DAMAGED EQUIPMENT:** In the event the leased Equipment or any part or component thereof is not returned by the Lessee/Purchaser to the Lessor/Seller on or before the termination date of this Lease Agreement, the Lessee/Purchaser agrees to pay, in addition to all rent, the sum reflected on the front page of this Lease Agreement as the value of the leased Equipment, which in no event shall be less than the leased Equipment manufacturer's current list price. In the event the Equipment or any part or component thereof is not returned by the Lessee/Purchaser to the Lessor/Seller in substantially the same condition as when received by the Lessee/Purchaser, reasonable wear excepted, the Lessee/Purchaser agrees to pay, in addition to all rent, the costs of cleaning the leased Equipment, being either the sum which the Lessor/Seller pays therefor, plus 15% overhead, or if cleaned by the Lessor/Seller, its usual and customary charge therefor. The Lessee/Purchaser acknowledges that leased Equipment returned to the Lessor/Seller with paint, plaster or foreign matter on it will be subject to cleaning charges. The Lessee/Purchaser acknowledges that the Equipment must be maintained in excellent condition and, therefore, with respect to damaged leased Equipment, the Lessee/Purchaser expressly agrees that the Lessor/Seller shall have no responsibility to repair damaged leased Equipment and may, in its sole discretion deem the leased Equipment destroyed beyond repair. If the original Equipment manufacturer agrees to repair, the Lessee/Purchaser shall reimburse the Lessor/Seller all charges therefor, plus 15% overhead, however, if the original leased Equipment manufacturer refuses to repair, the Lessee/Purchaser shall pay the Lessor/Seller a sum equal to the manufacturer's current list price to the Lessor/Seller for such leased Equipment.

15. **ATTORNEY FEES:** If, by reason of any breach or default by the Lessee/Purchaser of its obligations under the terms and conditions of this Lease Agreement it shall become necessary or appropriate for the Lessor/Seller to employ a licensed attorney concerning or to enforce any rights or remedies hereunder, the Lessee/Purchaser agrees to pay any attorney fees and other costs so incurred.

16. **LOADING AND UNLOADING:** Loading and unloading the leased Equipment on or off the Lessee/Purchaser's vehicle, or the vehicle of any common or contract carrier engaged by the Lessee/Purchaser to transport the leased Equipment, shall be supervised and directed by the Lessee/Purchaser who hereby assumes all responsibility for loss, damage, and personal injury. The Lessee/Purchaser agrees to indemnify and hold the Lessor/Seller harmless from any and all liability for loss, damage, and other injury occurring while any Equipment is being loaded and unloaded and during transit on the Lessee/Purchaser's vehicle or by common or contract carrier engaged by the Lessee/Purchaser.

17. **HOLD HARMLESS - INDEMNIFICATION:** As additional consideration to the Lessor/Seller, for leasing the leased Equipment to the Lessee/Purchaser, the Lessee/Purchaser, individually and on behalf of his, her, or its partners, shareholders, directors, officers, employees, agents, independent contractors, legal representatives, successors, and assigns, assumes any and all risks to person and property while using or transporting the leased Equipment and agrees to save, hold harmless, and indemnify the Lessor/Seller, its shareholders, directors, officers, employees, agents, independent contractors, successors, and assigns from any and all claims, actions, demands, causes of action, debts, obligations, and liabilities of any nature, whether existing or potential, known or unknown, both to person and to property, at law or in equity, arising out of the use, transportation, defect, or inadequacy of the leased Equipment and shall be liable for payment and satisfaction of any and all judgments rendered, or sums agreed upon in settlement of any and all claims asserted, in and including attorney fees, disbursements, and all other costs incurred in defending against such claims and actions. The Lessee/Purchaser further agrees to save, hold harmless, and indemnify the Lessor/Seller from any and all liability for loss, damage, or personal injury which results from non-compliance with any part of this Lease Agreement, or from the non-compliance with any ordinance, law, regulation, rule, or safety order of any government or governmental agency or any industry standard. The Lessee/Purchaser acknowledges that the purpose of the foregoing provision is to transfer the risk of all claims relating to the leased Equipment, pursuant to this Lease Agreement, to the Lessee/Purchaser during the entire Lease term.

18. **LIMITATION OF LIABILITY:** Lessor/Seller shall not be liable for exemplary, punitive, special, incidental, or consequential damages or expenses, including but not limited to lost profits, revenues, lost use of equipment, or any associated goods or equipment, damage to property, cost of capital, cost of substitute goods, downtime, liquidated damages, or the claims of Lessee/Purchaser's customers for any of the aforesaid damages, or from any other cause relating thereto. Lessor/Seller's liability hereunder in any case is expressly limited to the replacement (in the form originally shipped) of Equipment not complying with this Agreement, or, at Lessor/Seller's election,

a credit to the Lessee/Purchaser in a sum equal to the rental or purchase price of such Equipment paid by the Lessee/Purchaser, whether such claims are for breach of contract or warranty, or for negligence. "LESSOR/SELLER AND LESSEE/PURCHASER MUTUALLY AGREE AND UNDERSTAND THAT THIS LIMITATION OF LIABILITY CLAUSE WAS FAIRLY AND HONESTLY NEGOTIATED BETWEEN THEM."

19. **SAFETY REGULATIONS:** The Lessee/Purchaser hereby agrees to erect, maintain and use the leased Equipment in a safe and proper manner; comply with all applicable laws, ordinances, codes, rules, regulations, and orders of any public authority, including, but not limited to all Federal Occupational Safety and Health (OSHA) and State regulations relating to the safety of persons or property; and comply with any rules or regulations promulgated by the Lessor/Seller with respect to the leased Equipment, the rigging, manner of erection, and use thereof.

20. **CARTAGE:** The Lessee/Purchaser agrees to pay Lessor/Seller its usual cartage charges for delivery and pick up of the leased Equipment if transported by the Lessor/Seller. All time expended by the Lessor/Seller's driver and/or crew locating the leased Equipment at the delivery site, loading, transporting and unloading the leased Equipment, will be charged to the Lessee/Purchaser at the Lessor/Seller's then current hourly rates.

21. **WAIVER OF SUBROGATION:** The Lessee/Purchaser hereby waives any and all rights of subrogation against the Lessor/Seller including its shareholders, directors, officers, employees, agents, independent contractors, successors, and assigns for all damages, losses, and injuries, whether for negligence or otherwise, in connection with any loss covered by any and all insurance policies, including the workers compensation insurance, carried by the Lessee/Purchaser.

22. **GOVERNING LAW - CONSTRUCTION - SEPARABILITY - JURISDICTION - VENUE - SUCCESSORS:** This Lease Agreement shall be construed, enforced, and interpreted in accordance with the laws of the State of Illinois, without regard to any conflict of law principles, rules or statutes of any jurisdiction. Each paragraph of this Lease Agreement and each sentence, clause or phrase contained in such paragraph shall be considered separable, and if for any reason any paragraph or sentence, clause or phrase contained in such paragraph is determined to be invalid or prohibited under applicable law, such provision shall, if possible, be reformed to the extent necessary to conform with applicable law or shall be ineffective to the extent of such provision or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement. The parties hereto agree that if any provision of this Lease Agreement may be construed in two ways, one of which would render it invalid and unenforceable, and the other of which would render it valid and enforceable then such provision shall have the meaning which renders it valid and enforceable. The language of all provisions of this Lease Agreement shall be construed according to fair meaning and not strictly construed against either party. The Lessee/Purchaser hereby expressly agrees that any and every action at law or in equity arising out of or in connection with this Lease Agreement, or for the judicial determination of any right, term, definition or condition herein contained, or for the recovery of any sum or sums claimed due, pursuant to this Agreement, shall be commenced before the Circuit Court of Cook County, Illinois; and expressly acknowledges that by entering into this Lease Agreement, it has sufficient contacts with the State of Illinois to vest original jurisdiction therein; hereby forever waives any objection to exclusive Illinois jurisdiction, agreeing to proper venue within said Circuit Court of Cook County, Illinois; that this Lease Agreement will be deemed fully executed and performed in the State of Illinois; agrees to be subject to the jurisdiction of the State of Illinois; and waives any right to a trial by jury. This Lease Agreement shall be binding upon, and shall inure to the benefit of the parties hereto, their successors and assigns.

23. **FACSIMILE TRANSMISSION:** For purpose of negotiating, finalizing, and executing this Lease Agreement, a transmitted facsimile shall be deemed an original document. The signature of any party, transmitted by facsimile to the other, shall be considered for these purposes as an original signature. Any document transmitted by facsimile shall be considered to have the same binding and legal effect as an original document. The parties hereto agree that neither shall value the Best Evidence Rule or any similar evidentiary rule, in any proceeding relating or pertaining to the enforcement of this Lease Agreement, as a defense to this Lease Agreement, or any document executed in connection with this Lease Agreement.

24. **PERSONAL GUARANTEE:** If the Lessee/Purchaser is a corporation, limited liability company, or other form of entity, the person signing this Lease Agreement on behalf of the corporation, limited liability company, or other form of entity, acknowledges that he or she has a financial interest in the Lessee/Purchaser or has received good and valuable consideration for such execution, and hereby guarantees the payment of all rent and all other obligations of the Lessee/Purchaser to the Lessor/Seller.

United Site Services of Florida, LLC

1717 KOPPERS RD
 CONLEY, GA 30288
 Local: 770-781-5921
 Fax: 770-781-9395

**Salesperson Contact**

Heidi L Baker
 Mobile:
 Office: +1 (208) 362-3000 X72368
 Fax:
 Heidi.Baker@unitedsiteservices.com

Site Service Quotation

Quote No.: 414-2378549

Quote Date: 07/14/22

Quote Expires: 08/13/22

Sell To: CLEAR SKIES RESTORATION
 VJ HANS

Ship To: CLEAR SKIES RESTORATION
 1255 WALKER AVE
 EAST POINT, GA 30344

Cust. #: USS-2140119
 Phone: 770-820-7250

Attn: VJ HANS
 Phone: 770-820-7250
 Terms: Due Upon Receipt

Comments & Special Instructions

20% FENCE RENTAL – (1) 28 DAY BILLING CYCLE TERM
 \$3.37/ FT ON 6 FT PANEL FENCE
 \$7.97 EA SANDBAG
 \$450 DELIVERY/REMOVAL

Fence Pricing Terms and Conditions

Temporary fence pricing for long-term projects is based on the initial term listed on the agreement which will be billed on a 28 day billing cycle. All new fence orders are subject to a minimum install fee and will be listed on the corresponding agreement. If the fence is needed beyond the initial term listed on this agreement, a residual (rental) fee will apply to all fence and related products on site. This residual percentage amount will appear on your agreement and will be invoiced each billing cycle until the fence is removed. Price includes initial delivery, installation and removal. Any additional deliveries, moves or removals will be charged based on the pricing in this agreement and the schedule below. All partial deliveries and removals are subject to a minimum trip charge as outlined in the agreement.

USS DOES NOT ENGAGE IN OR SIGN PROJECT LABOR AGREEMENTS (PLA). USS WILL, HOWEVER, PROVIDE FENCE TO OUR CUSTOMERS FOR SELF-INSTALLATION IN THESE INSTANCES.

Item	Unit	Quantity	From	Thru	Unit Price	Total Price
20% RESIDUAL FEE BEYOND INITIAL TER	EA	1	10/31/22	10/31/22	0.00	0.00 one time
Environment/Energy/Compliance						0.00 one time
20% RESIDUAL FEE BEYOND INITIAL TERM Subtotal:						0.00
Fence - 6x12 T-Stand Panel	FT	450	10/03/22	10/30/22	3.37	1,516.50 one time
Environment/Energy/Compliance						225.96 one time
Fence - 6x12 T-Stand Panel Subtotal:						1,742.46
Fence - T-Stand((INCLUDED))	EA	38	10/03/22	10/30/22	0.00	0.00 one time
Environment/Energy/Compliance						0.00 one time
Fence - T-Stand((INCLUDED)) Subtotal:						0.00
Fence - Sandbags	EA	36	10/03/22	10/30/22	7.97	286.92 one time

Continued..

United Site Services of Florida, LLC

1717 KOPPERS RD
 CONLEY, GA 30288
 Local: 770-781-5921
 Fax: 770-781-9395

**Salesperson Contact**

Heidi L Baker
 Mobile:
 Office: +1 (208) 362-3000 X72368
 Fax:
 Heidi.Baker@unitedsiteservices.com

Site Service Quotation**Quote No.:** 414-2378549**Quote Date:** 07/14/22**Quote Expires:** 08/13/22

Sell To: CLEAR SKIES RESTORATION
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 1255 WALKER AVE
 EAST POINT, GA 30344

Cust. #: USS-2140119
Phone: 770-820-7250

Attn: VJ HANS
Phone: 770-820-7250
Terms: Due Upon Receipt

Item	Unit	Quantity	From	Thru	Unit Price	Total Price
Environment/Energy/Compliance						42.75 one time
Fence - Sandbags Subtotal:						329.67
Fence-Delivery, Setup, Removal	EA	1	10/03/22	10/30/22	450.00	450.00 one time
Environment/Energy/Compliance						67.05 one time
Fence-Delivery, Setup, Removal Subtotal:						517.05

Accepted: _____ Date: _____

Remit To: United Site Services, PO Box 5502, Binghamton, NY 13902-5502

NOTE: Total prices have been calculated for 1 billing period only. Damage Waiver is optional. Please read the terms and conditions on the last page of this document for more information.

Subtotal: 2,589.18
Tax: 174.64
Total: 2,763.82

TERMS AND CONDITIONS

1. Acceptance Customer shall be deemed to have accepted these terms and conditions upon the earliest to occur of: (i) two business days after receipt of an invoice from Company; (ii) delivery of items of equipment ("Equipment") identified in the invoice to the site designated in the invoice (the "Site") and use or acceptance thereof; or (iii) acknowledgment or other conduct of Customer indicating acceptance. These terms and conditions shall supersede any inconsistent terms of any purchase order or other documents of Customer.

2. Payment Terms All agreements are subject to approval by Company. Customer shall pay all charges by Company during the term (the "Period") shown in the invoice. **All Company invoices are due and payable upon Customer's receipt of the invoice.** Customer shall be liable to Company for interest at the rate of 1.5% per month, or such lesser rate as may be the maximum lawful rate from time to time, on all overdue accounts. Customer shall pay all additional charges for services separately requested by Customer or made necessary by Customer's breach of these Terms and Conditions, including but not limited to, moving/relocation charges, special service charges, and special delivery and removal charges. In the event Customer's account becomes delinquent, Customer agrees to pay Company all collection expenses, including reasonable attorney's fees.

3. Service The Company offers servicing as an option on all portable restrooms.

4. Damage Waiver The Company offers a damage waiver program on certain Equipment. **Customer may decline the damage waiver by completing and executing the appropriate section at the end of these terms and conditions.** Unless Customer has declined the Damage Waiver in writing before the commencement of the Period or within five business days of the date of the first Invoice to Customer for any Equipment identified with a Damage Waiver on the invoice, whichever is later, Company shall impose, and Customer shall pay, any Damage Waiver fees indicated on the invoice and (provided Customer has not breached any of these terms and conditions) Customer shall have no responsibility for accidental structural damage to the Equipment, EXCEPT (i) Customer shall be liable for theft of any Equipment and for any losses resulting from any willful or grossly negligent acts or omissions of Customer or any of its agents, servants and employees, and (ii) if Customer has other insurance covering such loss or damage, Customer shall exercise all rights available to it under such insurance, take all actions necessary to process such claim and assign such claim and pay any and all proceeds from such insurance to Company. If Customer declines the Damage Waiver, Customer shall be liable for any loss or damage to the Equipment, regardless of cause or fault, except for reasonable wear and tear, and Customer shall pay Company the actual cost of repair or replacement cost thereof, and in addition thereto, for Company's loss of use of the Equipment. In the event of any loss of or damage to the Equipment, Customer shall promptly notify Company of such loss or damage and shall provide Company with copies of all reports relating to such loss or damage, including police reports, informal investigation reports and insurance reports. **The damage waiver described in this section does not apply to portable toilets and containers which become contaminated with hazardous materials or contaminants described in Paragraph 7 while in the Customer's control and possession.**

5. Equipment Location Customer warrants and represents that it has exercised due diligence and care in the selection of the location it has designated for the placing of portable toilets, temporary fencing, portable storage containers and any other Equipment provided by Company, and further agrees to give directions and supervise the placement of such temporary fencing, storage containers, portable toilets and other Equipment.

6. Equipment Responsibility Company will deliver the Equipment to the Site at the commencement of the Period and will remove the Equipment at the end of the Period. If servicing has been ordered by Customer, Company will remove any domestic septic waste ("DSW") from portable restrooms, if applicable, on the service day(s) scheduled by Company. In the event Company is unable to service the Equipment on the service day due to a holiday, inclement weather, or other interfering circumstances, Company shall service the Equipment on the earliest business day, excluding Sundays, available in accordance with Company's other service commitments. Company shall be granted access to the Equipment at any time for any servicing, maintenance or removal of Equipment. Customer shall not remove the Equipment from the Site, and shall not move the Equipment on the Site without written permission from Company. Customer shall not modify the equipment. Customer shall not sell, rent, lease or otherwise lose possession of the Equipment, nor shall Customer permit any lien to be placed on the Equipment. Customer acknowledges that Company has no control over the use of the Equipment by Customer, and Customer agrees to comply, at Customer's sole expense, with any and all applicable municipal, county, state, federal or quasi-governmental laws, ordinances, regulations and guidelines, including ANSI Standard Z4.3 and the requirements of the "Guide for Clean Portable Sanitation" published by PSAI, if applicable.

7. Equipment Contamination While portable restroom units are in Customer's possession, Customer shall prevent any contamination of such units with or from radioactive, volatile, flammable, explosive, toxic or hazardous materials (including oils, paints, adhesives and solvents). Company will not remove any waste other than DSW from portable restrooms and storage containers ("Other Waste"). In the event Other Waste is found in the Equipment, Customer shall arrange and pay for separate removal of such Other Waste. Until such Other Waste is removed, Customer may not terminate the Period and Customer is liable for all charges accrued during such period.

8. Liability Except to the extent Customer is not liable for damage to Equipment under the Damage Waiver program described in Section 5, Customer agrees to defend, indemnify and hold Company harmless to the maximum extent permitted by law from and for all claims, lawsuits, damages, expenses and other losses arising out of the rental or use of Equipment delivered to or rented by Customer. Customer's obligation will apply to the extent permitted by law to all accidents or incidents regardless of whether same occur as a result of Customer's or third party's negligence, fault or other legal liability. Customer will have no obligation to defend, indemnify or hold harmless Company if the accident or incident arises out of the sole negligence or willful misconduct of Company. Company, its officers, directors, employees and agents shall not, under any circumstances, be liable to Customer for consequential, incidental, special, exemplary or punitive damages arising out of or relating to the Equipment. Customer's sole and exclusive remedy for any claims or causes of action arising out of or related to the Equipment shall be to recover from Company direct damages in an amount not to exceed the amount paid by Customer for use of the Equipment.

9. No Prorating Agreed upon rates are the complete billing periods and are not to be prorated.

10. Termination Company may terminate this agreement and remove the Equipment immediately in the event (i) Customer fails to pay any amount when due to Company, (ii) Customer otherwise breaches or rejects any of these Terms and Conditions, (iii) there is any loss of or damage to the Equipment, (iv) any lien is placed, or is proposed to be placed, on any of the Equipment, or (v) a proceeding in bankruptcy or for other protection from creditors is commenced by or against Customer. Company shall not be responsible for loss of any personal property on the Site, which may be caused by removal of any of Company's Equipment pursuant to this paragraph.

11. Governance This agreement shall be governed by and construed in accordance with the laws of the state, shown on the invoice, in which the Company's place of business is located, without giving effect to any choice or conflict of law provision or rule that would cause the application of the laws of any jurisdiction other than such state. Each of the parties submits to the jurisdiction of any state or federal court sitting in such state, in any action or proceeding arising out of or relating to this agreement. All claims in respect of the action or proceeding may be heard and determined in any such court. No failure by Company to exercise any right hereunder shall operate as a waiver of any other right hereunder, and a waiver of any right on one occasion shall not constitute a bar to or a waiver of any such right on any future occasion. All modifications to these Terms and Conditions shall be in writing.

12. Taxes & Fees Customer shall pay any and all taxes, license fees or permit fees arising out of use of the Equipment. Customer shall pay such taxes whether such taxes are shown on the invoice or whether such taxes are later claimed by a governmental authority. In the event of a claim by a governmental authority for taxes related to the Equipment, Customer shall pay to Company such taxes on demand.

13. Additional Terms Additional Terms and Conditions apply to rental and service of Storage Containers ("Sheds") and Temporary Power equipment. These Terms & Conditions are shown on the back of your contract for these items.

14. Errors & Omissions Company reserves the right to correct any erroneous information that may appear in the invoice or may have appeared in a prior invoice including, without limitation, Customer's name or address, or billing amounts.

15. Conditional Payments Any payment check, or other form of payment that you send us for less than the full balance due that is marked "paid in full" or contains a similar notation, or that you otherwise tender in full satisfaction of a disputed amount, must be sent to United Site Services Inc., 50 Washington Street, Suite 1000, Westborough, MA 01581. We reserve all our rights regarding these payments (e.g., if it is determined there is no valid dispute, or if any such check is received at any other address, we may accept the check and you will still owe any remaining balance). We may refuse to accept any such payment by returning it to you, not cashing it or destroying it. All other payments that you make shall be sent to the address on the invoice.



Account #: ACT-01636398

Quote #: Q-490932

Expiration Date: 08-13-22

Quote

Date: 07-14-22

Customer: CLEAR SKIES RESTORATION**Community:****Subdivision:****Delivery Address:**1255 WALKER AVE
EAST POINT, GA 30344**Requested By:**VJ HANS
770-820-7250
vj@csrlocal.com**USS Contact:**Heidi Baker
Inside Sales Rep - Inbound
+1 208-362-3000
heidi.baker@unitedsiteservicesinc.com
United Site Services of Florida, LLC

Item	Unit	Unit Price	Qty	Charge Type	Total Charge	Tax
Restroom Bundle Configuration Delivery 10-03-22						
Standard Restroom	EA	\$40.00	1	Recurring	\$40.00	N
Hand Sanitizer Refill	EA	\$35.00	1	Recurring	\$35.00	N
1 Service 2 Days per Week	EA	\$325.06	1	Recurring	\$325.06	N

Subtotal Recurring	\$400.06
Tax Recurring	\$0.00
Total Recurring	\$400.06

Subtotal One-Time	\$120.00
Tax One-Time	\$0.00
Total One-Time	\$120.00
Grand Total	\$520.06

Notes:

- *All recurring charges have been calculated using the standard USS 28 days billing terms.*
- *The calculated recurring charges have been calculated for the billing period only.*
- *The calculated charges are subject to change at time of order.*
- *All taxes are estimated and could change at time of invoice.*

TO PLACE AN ORDER CALL 1.800.TOILETS

1.800.TOILETS / UnitedSiteServices.com

EASY / SAFE / CLEAN

1. Acceptance. Customer shall be deemed to have accepted these terms and conditions ("Agreement") upon the earliest of: (i) two business days after receipt of a Company invoice; (ii) delivery of Equipment including, among others, portable restrooms, trailers, fencing, roll-off dumpster, portable storage containers, and/or temporary power equipment (collectively or individually, the "Equipment") to the Customer's designated site (the "Site") and use or acceptance thereof; (iii) acknowledgment or other conduct of Customer (including payment against any invoice); or (iv) Company's performance of any services Customer has requested. This Agreement supersedes any inconsistent terms of any purchase order or other Customer documents. All agreements are subject to approval by Company.

2. Payment Terms. Customer shall pay all charges due to Company during the term (the "Period") shown on the relevant invoice. All invoices are due and payable upon receipt. Company's rates are for the entire Period, which shall not be prorated (i.e., charges for less than a full Period shall not be prorated). Customer shall be liable to Company for all collection expenses (including reasonable attorneys' fees), and interest at the rate of 1.5% per month, or such lesser rate as may be the maximum lawful rate, on all overdue accounts. Customer shall pay all additional charges for services separately requested or made necessary by Customer's breach of this Agreement, including moving/relocation charges, special service charges, and special delivery and removal charges. For payments by check, Customer authorizes Company to use information from Customer's check to make a one-time electronic fund transfer from Customer's account or to process this transaction as a check. Customer shall pay all taxes, including sales tax, license fees and permit fees arising out of the use of the Equipment. Customer shall pay such taxes whether such taxes are shown on the relevant quotation or invoice or whether such taxes are later claimed by a governmental authority. In the event of a claim by a governmental agency for taxes related to the Equipment, Customer shall pay to Company such taxes on demand.

3. Service. Company offers servicing as an option on all portable restrooms. If Customer orders servicing, Company will remove any domestic septic waste ("DSW") from portable restrooms on the service day(s) scheduled by Company. If Company is unable to service the Equipment as scheduled due to a holiday, inclement weather, site restrictions, site inaccessibility or other circumstances, Company shall service the Equipment on the next available business day subject to Company's other service commitments. Customer shall provide Company timely, sufficient and unobstructed access to Equipment, including extended hours or after business hours access, as necessary to perform Services. The pricing of this Agreement is based upon: easy access to Site, firm and level ground and a dry location. Company will not remove any waste other than DSW from portable restrooms.

4. Damage Waiver. Company offers a damage waiver program exclusively on single occupancy plastic restroom units. If Customer accepts and pays for the Damage Waiver at the time of rental, Customer shall have no responsibility for accidental structural damage to the Equipment, EXCEPT (i) Customer shall be liable for theft or disappearance of any Equipment and for any losses or damage resulting from any willful or negligent acts or omissions of Customer or any of its agents, contractors or employees; and (ii) Customer shall exercise all rights available under its insurance required by Section 8 hereof, and Customer shall take all actions necessary to process and pursue all insurance claims, and Customer will pay any and all proceeds from such insurance to Company. If Customer does not accept and pay for the Damage Waiver at the time of rental, Customer is liable for any and all loss or damage to the Equipment, regardless of cause or fault, except for reasonable wear and tear or damage caused by Company, and Customer shall pay Company the actual cost of repair or replacement of the Equipment and, in addition thereto, for Company's loss of use of the Equipment. Customer shall promptly notify Company of any loss or damage to the Equipment and shall provide Company with copies of all reports relating to same, including police reports, informal investigation reports, and insurance reports. This Damage Waiver does not apply to portable toilets and containers contaminated with Hazardous Materials while in the Customer's possession. Company is not responsible for damage caused to Equipment or otherwise when Company performs at the Customer's direction including damage to delivery location and truck access path, except to the extent caused by Company's sole negligence.

5. Equipment Responsibility. Company will deliver the Equipment to the Site at the Period's commencement. Customer warrants and represents it has exercised due diligence and care in the selection of a Site safe for placement of any Equipment, and further agrees to direct and supervise the Equipment's placement. Title to all Equipment remains with Company. Customer shall not modify or move the Equipment from the Site absent Company's written consent. If Customer moves the Equipment from the Site without Company's written consent, Customer immediately assumes all responsibility and liability for all losses and costs incurred by Company. Customer warrants and represents it is familiar with the safe and proper use of the Equipment. Customer shall not sell, rent, lease or otherwise lose possession of the Equipment, nor shall Customer permit any lien to be placed on the Equipment. Customer acknowledges that Company has no control over the use of the Equipment by Customer, and Customer agrees to comply, at Customer's sole expense, with all applicable governmental and quasi-governmental laws and guidelines, including ANSI Standard Z4.3 and PASI's published requirements in its "Guide for Clean Portable Sanitation", if applicable. Customer further agrees to (i) obtain and comply with all applicable governmental and quasi-governmental licenses, permits, registrations, permissions and other approvals ("Permits") applicable to the Equipment; and (2) comply with all applicable Permits held by Company applicable to the Equipment.

6. Equipment Contamination. Customer represents and warrants that any waste material to be collected in the Equipment or disposed of by Company does not include any radioactive, volatile, biohazardous (excluding noninfectious DSW), flammable, explosive, special waste, or hazardous materials (including but not limited to asbestos, petroleum, paints and any substance identified by a governmental agency as being hazardous or toxic) or their equivalent (collectively, "Hazardous Materials"). At all times, Customer shall hold all title to and liability for all waste material. Company will not remove tires, Hazardous Materials, or appliances from dumpsters (collectively, "Prohibited Waste"). Customer will be responsible for all removal, cleanup, remediation, fines, penalties and other costs arising from or relating to the presence of Prohibited Waste attributable to Customer's possession of the Equipment. Customer will be responsible for all fines or penalties on overweight containers. Mattresses or other bulky items found in dumpsters may result in additional fees. If Prohibited Waste is found in or around the Equipment, Customer shall arrange and pay for separate removal, disposal and remediation of such waste and Equipment. Customer may not terminate the Period and shall be responsible for all accrued charges until such Prohibited Waste is removed and the Equipment is remediated.

7. Liability & Indemnification. Except to the extent Customer is not liable under the Damage Waiver program described in Section 4, Customer agrees to defend, indemnify and hold harmless Company to the maximum extent permitted by law against and for all claims, lawsuits, damages, expenses, penalties, fines, and other losses arising out of any of (a) the rental, delivery, condition, possession, maintenance, use or operation of Equipment delivered to or rented by Customer, including but not limited to any claims that might be brought against only Company by an employee of Customer, (b) waste material collected in the Equipment or disposed of by Company, or (c) any damage to underground pipes, sewers, wires, conduits

or utilities resulting from Customer's failure to comply with Section 12. Customer's indemnity and defense obligations apply to the maximum extent permitted by law to all injuries, damages and losses regardless of whether same are caused, or are alleged to have been caused, in whole or in part by Company's, Customer's, or a third party's acts or omissions, except that Customer will have no obligation to indemnify or defend Company to the extent the injury, damage, or loss was actually caused by Company's sole negligence or willful misconduct. Customer expressly agrees and will cause its insurer to accept a tender by Company to Customer of any claim arising out of the rental, delivery, condition, possession, maintenance, use or operation of the Equipment. Company, its officers, directors and agents shall not, under any circumstances, be liable to Customer for consequential, incidental, special, exemplary or punitive damages arising out of or relating to the Equipment. Customer's exclusive remedy for any claims or causes of action arising out of or related to the Equipment shall be recovery of direct damages in an amount not to exceed the amount paid by Customer for use of the Equipment. EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED HEREIN, ALL EQUIPMENT IS PROVIDED TO CUSTOMER "AS IS," "WHERE IS," AND "WITH ALL FAULTS," AND THERE ARE NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO THE CONDITION OR PERFORMANCE OF THE EQUIPMENT, ITS MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

8. Assumption of Risk; Insurance. Customer assumes all risk of and liability for injury (including death) to any person or property and for all other risks and liabilities arising from the rental, delivery, condition, possession, maintenance, use or operation of the Equipment. Customer agrees, at its own expense and at all times during the term of the Agreement, to maintain Commercial General Liability ("CGL") insurance with limits of not less than \$1,000,000 per occurrence for sums that an insured must pay as damages because of bodily injury or property damage arising out of the condition, possession, maintenance, use, operation, erection, dismantling, servicing or transportation of the Equipment. Customer and its agents will cooperate with Company and Customer's insurers in any claim or suit arising therefrom and will do nothing to impair or invalidate the applicable insurance coverage. In addition, Customer agrees, at its own expense and at all times during the term of the Agreement, to maintain Property Insurance in an amount adequate to cover any damage to, or loss of, the Equipment. Customer's Property Insurance must cover non-owned Equipment while in Company's care, custody and control. Customer agrees to add Company as an Additional Insured and Loss Payee on all insurance required by the Agreement. Customer's CGL insurance must be primary and non-contributory with any insurance maintained by Company and must include a waiver of subrogation in favor of Company. The amount, terms and conditions of the insurance maintained by Customer must be reasonably acceptable to Company. Customer agrees to abide by all terms and conditions of all such insurance. Customer agrees to provide Company with Certificates of Insurance ("COI") evidencing the insurance required by the Agreement. Company's acceptance of Customer's COI will not be deemed a waiver or modification of Customer's insurance, indemnity or any other obligations under the Agreement. The provisions of this Section 8 are in addition to, and do not limit, qualify or waive any obligations of Customer under this Agreement, including but not limited to Customer's obligations under Section 7 above. Customer's fulfillment of its insurance obligations do not limit Customer's liability under Section 7 above. The provisions of Section 7 above do not limit or qualify the provisions of this Section 8 or the scope of insurance coverage provided to Company as an Additional Insured or Loss Payee.

9. Termination. Company may terminate this Agreement and immediately remove the Equipment if (i) Customer fails to pay any amount when due, (ii) Customer breaches the Agreement, (iii) there is a loss of or damage to the Equipment, (iv) a lien is placed, or is proposed to be placed, on any Equipment, (v) a proceeding in bankruptcy or for other protection from creditors is commenced by or against Customer, or (vi) Company's convenience. Company shall not be responsible for losses due to removal of Company's Equipment pursuant to this paragraph.

10. Governing Law; Non-Waiver; Amendments. This Agreement is governed by the laws of the state where the Site is located, without giving effect to principles of conflicts of laws. Each party submits to the jurisdiction of any state or federal court sitting in such state in any action or proceeding arising out of or relating to this Agreement. No failure by Company to exercise any right hereunder shall operate as a waiver of any other right hereunder, and a waiver of any right on one occasion shall not constitute a waiver of any such right on any future occasion. All modifications to this Agreement must be in a writing signed by both parties.

11. Errors & Omissions. Company reserves the right to correct any erroneous information that may appear in this invoice or may have appeared in a prior invoice including, without limitation, Customer's name or address, or billing amounts.

12. Fencing. For fence rental and installation, Customer shall establish all property line stakes and grade stakes. Unless otherwise agreed, fences shall follow ground lines/level. Prior to install, Customer shall provide Company with the location and character of any underground pipes, sewers, wires, conduits, obstructions, conditions or restrictions which may interfere with or be damaged at install or thereafter. Customer shall notify any and all underground service entities in advance of install. Customer shall cooperate fully in Company's installation by (a) clearing a sufficient working area of all obstructions and removable hazards, including clearing all trees and brush for six feet on either side of fence location, (b) surveying, grading, locating and staking fence line and identifying/verifying all property and utility lines, (c) notifying and safeguarding Company of all potential hazards, and (d) coordinating Company's work with all others on the Site. Company may extend install deadlines and Customer shall pay for any expenses resulting from Customer's compliance with these terms. Customer is responsible for all relocation/re-installation costs. Customer shall inspect and accept the fence within twenty-four (24) hours of installation.

13. Conditional Payments. Any payment that Customer sends Company for less than the full balance due that is marked "paid in full" or contains a similar notation, or that Customer otherwise tenders in full satisfaction of a disputed amount, must be sent to the address listed in Section 14. Company reserves all rights regarding these payments (e.g., Company may accept the check and Customer will still owe any remaining balance). Company may refuse to accept any such payment by returning it to Customer, not cashing it or destroying it.

14. Price Adjustments: Company reserves the right to impose a price increase at any time with or without notice to Customer.

15. Notices. Any required notice shall be in writing delivered to United Site Services, Inc. 118 Flanders Road, Suite 1000, Westborough, MA 01581 Attn: (Legal Department). Any notice given pursuant to this contract shall be considered duly given when received by the representatives of the parties hereto. For information about our privacy practices go to <https://www.unitedsiteservices.com/privacy-policy>.

SHERIFF'S ENTRY OF SERVICE

Civil Action No. 23-A-00238/5

Superior Court ☒ Magistrate Court ☐
 State Court ☐ Probate Court ☐
 Juvenile Court ☐

Date Filed 1/11/2023Georgia, Gwinnett COUNTY

Attorney's Address

Huggins Law Firm, LLCHeri Aum LLCd/b/a Fairfield Inn and Suites

Plaintiff

110 Norcross St.

VS.

Roswell, GA 30075Home-Owners Insurance Company

Name and Address of Party to Served

Home-Oweners Insurance Company

Defendant

RA: C T Corporation System289 S. Culver St. Lawrenceville, GA 30046

Garnishee

SHERIFF'S ENTRY OF SERVICE

PERSONAL

I have this day served the defendant _____ personally with a copy
☐ of the within action and summons.

NOTORIOUS

I have this day served the defendant _____ by leaving a
 copy of the action and summons at his most notorious place abode in this County.

☐ Delivered same into hands of _____ described as follows:
 age, about _____ years; weight _____ pounds; height _____ feet and _____ inches, domiciled at the residence of
 defendant.

CORPORATION

Served the defendant Home-Owners Insurance Company

☒ by leaving a copy of the within action and summons with Jane Richardson
 In charge of the office and place of doing business of said Corporation in this County.

TACK & MAIL

I have this day served the above styled affidavit and summons on the defendant(s) by posting a copy of the same to the door of the premises
 designated in said affidavit and on the same day of such posting by depositing a true copy of same in the United States Mail, First Class in an
☐ envelope properly addressed to the defendant(s) at the address shown in said summons, with adequate postage affixed thereon containing notice
 to the defendant(s) to answer said summons at the place stated in the summons.

NON EST

Diligent search made and defendant _____
☐ not to be found in the jurisdiction of this Court.

This 13 day of Jan, 2023.

DEPUTY

W. Coberly SOBSZ

CLERK'S | DEFENDANT'S | PLAINTIFF'S COPY

Gwinnett County Sheriff's Office

Cover Sheet



Sheriff #: 23001228



Person Served: HOMEOWNERS INSURANCE COMPANY
289 SOUTH CULVER STREET
LAWRENCEVILLE GA 30046
PHONE:

Process Information:

Date Received: 01/12/2023

Assigned Zone: 289 S. Culver

Court Case #: 23-A-00238-5

Expiration Date:

Hearing Date:

Paper Types: COMPLAINT

Notes/Alerts:

Notes:

**IN THE SUPERIOR COURT OF GWINNETT COUNTY
STATE OF GEORGIA**

**HERI AUM LLC, d/b/a FAIRFIELD INN
AND SUITES,**

Plaintiff,

v.

**HOME-OWNERS INSURANCE
COMPANY,
a foreign corporation,**

Defendant.

CIVIL ACTION FILE NO.:

23-A-00238-5

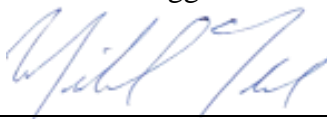
CERTIFICATE OF SERVICE

This is to certify that I have served the foregoing upon the Defendant Home-Owners Insurance Company by serving them with the *Summons, Complaint and Exhibits*, and *Plaintiff's First Set of Interrogatories and Request for Production of Documents* in accordance with the Court's rules to Defendant Home-Owners Insurance Company at the address listed below:

**C T Corporation System
Registered Agent for Defendant Home-Owners Insurance Company
289 S. Culver St.
Lawrenceville, GA 30046**

Respectfully submitted, this 11th day of January, 2023.

For: The Huggins Law Firm, LLC,



J. Remington Huggins, Esq.
Georgia Bar No.: 348736
Michael D. Turner, Esq.
Georgia Bar No.: 216414
Attorneys for the Plaintiff

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